Heads London Life

Archibald McPherson, elected sixth president of the London Life Insurance Co., is a former president of Elliott Marr & Co., wholesale grocers of London, Canada and is president of the Ontario Loan & Debenture Co.; has been a director of London Life for 24 years, vice-president for six. He succeeds J. E. Jeffery, K.C., who becomes chairman of the board after 55 years' service with the company. The London Life, at its annual meeting, reported $1.4 billions of life insurance in force, all of it in Canada.

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THE NATION'S BUSINESS

Cheap Franc Hints More Big Moves

Regardless of the vigor with which Sir Stafford Cripps has declared that the British pound will be held at its present exchange rate, here are some inexorable results of the French devaluation.

The question of the British pound rate inevitably does come up and it will stay up for a long time to come, because the French devaluation move does unleash forces which will almost inevitably tend to weaken the pound.

And with any question of revaluation of sterling inevitably arises question as to what's ahead for the Canadian dollar

Sir Stafford Cripps did not oppose revaluation of the franc. Obviously, the official rate was far out of line with reality. French trade was being paralyzed. Commerce with Belgium, her most important market, had almost completely stopped.

What Cripps did oppose so vigorously was the method of devaluation, the institution of the so-called "double-decker" franc. Let's set down what happened.

The French Scheme Is Elaborate

The new official rate is 214.392 francs equal U. S. $1. The former rate was 119 francs equal U. S. $1. Under the new rates the British pound is to be equivalent to the U. S. rate or 842 francs equal £1.

In addition, France authorizes a free market for U. S. dollars and Portuguese escudos. In the free market, those currencies are under no control whatever. Prior to the move, the black market rate was 340 francs equal U. S. $1.

Under the new regulations, exporters who turn over their dollar proceeds to the Government will receive half their funds in francs at the new 214 rate and half at the free market rate.

Importers of essentials will get their dollars for foreign purchases at the low 214 rate. Nonessentials will have to be paid for at the higher free market rate. So a kind of export-import control is a subsidiary purpose of the move.

In an attempt to lure out of hiding hoarded gold and "hot" money, France is planning for a free market in gold; also that Frenchmen who have held gold or foreign exchange illegally, abroad or in France, may sell these assets by paying a tax, presumably nominal, as the price of amnesty.

Cripps reputedly argued vehemently at Paris that the free franc would hasten devaluation of sterling, increase Britain's debt to the U. S., make harder Britain's recovery program and start competition in devaluation which would further unsettle economic equilibrium throughout western Europe.

He is quite probably correct—at least in part.

France defied the International Monetary Fund. That fact in itself gives a lead to other countries which might wish to do likewise. So long as the Fund members obeyed the rules, there was at least an odor of stability about exchange rates. Now the great game of guessing about the future value of currencies, with all its effects on trade, and other international relationships, is in for its biggest boom in a decade.

The French are establishing fixed rates for both the pound and the dollar, but the big Paris free market will inevitably be a big trader in discounted pounds. The British Treasury is now looking for new safeguards to prevent a leakage of pounds out of Britain, because it regards the Paris free market as extremely inviting for big-scale arbitrage operations by people wanting to "bail out" of francs or sterling into U. S. dollars.

It is the Cripps implication that maintaining the present rate for sterling and other main European currencies which will raise questions in some quarters. Some will claim that letting all currencies "find their natural level" is the desirable and essential prerequisite of any sound recovery.

He's Glad "One-worlders" Defeated

Some will welcome this defeat for the cause of currency stabilization as it was to be attempted by the International Monetary Fund. Typical of this attitude is that of Republican Congressman of Ohio, F. C. Smith, who told the New York Times: "It is a healthy sign and shows that some nations still have souls of their own and that they do not intend to allow themselves to be finagled into letting the dreaming and scheming one-worlders tell them how to run their business."

"Nothing," says Anne O'Hare McCormick, writing from Paris, "could be more unhappily timed than the conflict between France and Britain at the very moment when the British announce their new policy of Western Union. The French, convinced that co-operation must begin in the economic field, ask what hope there is of achieving unity when the British try to block every measure France considers an essential step to her own stability and therefore, she argues, to the stability of western Europe as a whole. The British ask the same question of the French. . . . .

"One optimistic note should be added. The conflict of views between experts is leading the political leaders on both sides of the Channel to suggest a thoroughgoing review of economic relations with the broad aim of arriving at a real economic union. That is the idea expressed by Leon Blum who is so disturbed by the Anglo-French clash on devaluation that he thinks it should frighten and force the two countries into closer union."

From every angle, the French devaluation move would seem to have opened a new phase in international relationships, a phase which may well have sensational results on both sides of the Atlantic. Certainly new physical and psychological pressures are at work forcing down the pound, bringing closer devaluation, with almost inevitable repercussions on the Canadian rate.

Court Bars St. Lawrence Reorganization Program

Shareholders Not Informed of Directors' Holdings, is Ruling — May Seek to Appeal Judgment, or Draft New Plan

By HOWARD GAMBLE

MONTREAL (Staff)—In a decision which caught management, directors and most shareholders by surprise, Justice Louis Boyer of the Quebec Superior Court this week threw out the St. Lawrence Corporation proposal for capital reorganization. It had originally been approved by shareholders Dec. 22, 1947.

This immediately raised these questions:

(1) Will or can this decision be appealed?

(2) If not, will another reorganization plan be proposed?

(3) Will directors proceed to implement the St. Lawrence Paper Mills plan?

At midweek, the appeal question was under study by company counsel. The Post understands that there is no direct appeal from a decision of this kind.

Under study, too, was the question of the company's next step. An early meeting of directors will be held to consider the over-all effect of the decision.

The Post queried a number of legal authorities on this matter and their unanimous comment was "I don't know, it is a matter for study." Lawyers consider the decision "quite amazing" and expect "it will be quite important."

They point out that it may be indicative of the trend of the times to require full disclosure of facts by company officials and expressed surprise that the decision came in Quebec where there has not been as much stress on full disclosure as in Ontario. It may have many implications for future reorganizations, they add.

While the decision did not in any way deal with the St. Lawrence Paper Mills' reorganization plan, the company is studying the possible effect, since the two plans were in effect part of an over-all plan for the St. Lawrence group.

The Corp. plan was contingent on approval and implementation of the Paper Mills' plan. A point now in question is whether the Paper Mills' plan must be proceeded with, or may be withdrawn if the Corp. plan does not go through.

(The Corp. plan was approved by 1,362 shareholders voting 165,000 Class A preferred shares and 1,119 shareholders voting 387,613 common shares. Against the plan were 18 shareholders voting 5,000 Class A preferred and two shareholders voting 1,000 common shares.)

Here in brief is the plan:

1. Existing class "A" shares and dividend arrears extinguished.
2. Each class "A" shareholder gets: one new first cumulative redeemable preferred share par $49 carrying a dividend of $2 a year and redeemable at $55 and

One new second cumulative redeemable preferred share par $1 carrying a dividend of 50c a year and redeemable at $21.

3. Rights of common shares to be modified.
4. Share capital of company to be reduced by cancelling all class "A" shares not presently outstanding.

Court Cites Issues

In setting aside the Corporation plan, the court upheld the case of Joseph Mayr, New York investment dealer who was represented by J. G. Ahern, K.C. Mr. Mayr had attacked the plan after it had passed by a majority vote of

(Continued on page 2, col. 4)

PRICES

A further general increase in bread prices in the Toronto area seems imminent, following the action of the Christie Brown Bread Co. of raising its price by one cent to 14c a loaf. The sliced loaf remains at 15c.

A spokesman for the industry told The Financial Post:

"Every ingredient we use has risen steadily in price. The three cents increase we got a few months back just took care of the rise in flour and labor costs, but did not look at the other heavier outlays. However, we decided that we would hold off increasing the price to the consumer for as long as possible; now, it seems, we'll just have to ask for that extra cent."

Canning Crops: Ontario growers will get more for three of their main vegetable canning crops this year. Minimum prices and terms of contract announced by the Farm Products Marketing Board for crops for processing in Ontario (last year in brackets) are:

Tomatoes $25 a ton ($22); green peas $65 ($60); sweet corn $22 ($18); wax beans, $75 ($75).

Vegetables: Lifting of the dollar conservation ban on cabbage imports from the United States, effective Monday next is seen by wholesalers as the signal for one

(Continued on page 2, col. 3)

Canadian Trade Little Affected By Franc Drop

OTTAWA (Staff)—Devaluation of the franc is not expected to mean much to Canadian trade.

Prospects for increasing the present trickle of French wines, brandy, textiles, etc., are better but not yet very great. French export surpluses are said to be small as yet; added to which it is American dollars not Canadian dollars which have been put at a premium. Any substantial surpluses will likely move first to U. S. rather than Canada.

In the case of liquor, the attitude of provincial liquor commissions toward the new French prices will be important. To date French exporters have been disappointed in the postwar business through these controlled channels. In textiles the added advantage of the new tariff rates against British goods will help the 44% price gain brought about by devaluation.

Canadian sales to France will likely not be affected. Luxury imports are prohibited and imports of essentials such as grains, metals, etc., is encouraged by Government permit.

Canada Has First Priority In U. K.'s Cotton Exports

OTTAWA (Staff)—The British Government now looks on Canada as its number one priority market for cotton exports.

This is the considered view of Sir E. Raymond Streat, chairman of the Cotton Board, Manchester, who is visiting Canada this week to consult with trade and government officials on the needs and opportunities in the Canadian market.

Leaving shortly for Britain are two Canadian officials who will do further work toward getting this trade flowing. The goods have to start flowing at once if they are to meet the needs of the trade and if they are to prevent raising the quota on U. S. imports.

To The Financial Post here this week, Sir Raymond expressed the view that a fundamental change in the habits of British sellers and Canadian buyers is now possible. Government restrictions on Canadian dollar purchases and the top priority now given the Canadian market by the U. K. are the important new factors.

"But both governments," said Sir Raymond, "have now left buyer and seller free. I am here to find out what my board can do to help British traders fill the Canadian 'gap.' I may also be able to help Canadian buyers in getting the best value out of their British purchases."

Sir Raymond disclosed that for the first quarter of 1948, the Government had set 26% as the proportion of exports which must be diverted to what are called "A" markets. Canada is now at the top of the list in the "A" market category. He indicated that this percentage may be increased during remaining quarters. He would not indicate what he thought the total Canadian "need" might be in terms of yards but thought that there was every prospect that the gap in Canadian demand left by import restrictions could be filled by Britain if buyer and seller could be brought together.

Price considerations were admittedly very important but Sir Raymond pointed out that Canadian buyers should not be too disturbed by the "brush-out" quotations received from time to time by Canadian enquirers when British mills were full to capacity. He suggested that the British trade, under the new conditions, is now prepared to make an important drive for Canadian business in the belief that Canada offers one of the best long-term markets in the world. He expressed the belief that Canada's increased wartime purchasing power and buying habits would largely remain as a permanent feature of this country's postwar picture. In his view, this augured well for a large and expanding trade between the two countries.

"Canadian buyers" he said, "have a discrimination as to quality which makes them of special interest to the manufacturers of Britain."

B.C. Motorist In For Higher Gas Prices

British Columbia motorists are going to have to pay more for their gasoline. The question is how much and how soon.

It's no secret that several of the oil companies operating in B. C. are demanding a six-cents-a-gallon increase from the Coal and Petroleum Control Board. Authoritative sources expect the Government to compromise around the four-cents-a-gallon figure.

For weeks reports from the B. C. Legislative buildings have had price-fixing orders imminent, but in each case the Cabinet meeting has slipped by without indication of any action.

Oil companies, growing impatient with Government's oft-postponed action have recently indicated that they would take drastic action themselves if nothing was done. The action would take the form of sharply curtailed supplies of gasoline

To curtail losses at present pegged prices there is no alternative but to reduce quality and quantity of gasoline supplied B. C. outlets, N. Y. Knox, vice-president of Shell Oil Co. of B. C. stated. The extensive ship transportation charges makes for higher costs than are experienced in Eastern Canada. Despite this and a 100% boost in crude oil prices within the last year, tank wagon prices have remained pegged in B. C. at 20c a gallon standard grade and 22c a gallon premium (without tax). The corresponding prices for near-by Seattle is 25.8c for an imperial gallon, premium grade.

Oil companies operating in B. C. are: B. A. Oil, Imperial Oil, McColl-Frontenac, Shell Oil and Standard Oil of British Columbia (subsidary of Standard Oil of California). Only three—Imperial Oil, Shell Oil and Standard Oil of B. C.—operate refineries.

Export Controls Are Off Woollens And Other Items

OTTAWA (Staff) — The Government this week lifted export controls from several hundred trade items. Most important are wool and woollen goods, rayon manufactures, paints, varnishes and pigments. Other categories affected are candy, paper and paper products, toilet paper and fibre containers, leather manufactures, fish liver oils and all fish except halibut and salmon. Storage batteries are also freed from control, as are canned foods containing poultry, because of discontinuance of the poultry contract with the United Kingdom. Maple syrup and sugar are no longer controlled.

Would Give Three Choices To Newfoundland Voters

National Convention Favors Vote on Dominion Status, Confederation With Canada, and Continuance of Commission Government

(Special Correspondence)

ST. JOHN'S — After 16 months of hard, though sometimes spasmodic labor, the National convention, studying future forms of government for the Island, wound up its task this week.

Early this month the Commission of Government gave warning that to have a spring referendum, the assembly would have to have its final recommendations to the Office of Commonwealth Relations ready by the last of January. The Convention immediately went into a concentrated drive of afternoon and night sessions.

It finished off the long and sometimes acrimonious debate on the proposals for union with Canada, submitted in November by Prime Minister King; and by Tuesday this week, it had drafted a motion to recommend a national plebiscite on (a) a return to Dominion status on the same basis as before; (b) to retain the present form of Commission Government; (c) to confederate with Canada. By midweek, all that remained was to appoint a committee to arrange these in official form, and to present them to the Assembly for formal approval.

Although, under the National Convention Act, the Convention is finished now that its work is concluded, there seems to be some doubt on the subject.

While the London delegation of the Assembly was in England, the then Secretary of State for Commonwealth Relations, Lord Addison, seemed to presuppose that even when they had completed their task, the members of the Convention would be available to supply any additional information which the Office of Commonwealth Relations might require.

Consequently, there is a possibility that the Convention will remain technically in being, with at least the Steering Committee on call at any time.

$50 Millions Saved In U.S. Dec. Imports

OTTAWA (Staff) — Unofficial reports based on preliminary calculations indicate that Canadian imports from United States in December dropped about $50 millions from the previous month.

November imports were at the record figure of $174 millions. $50 millions cutback would indicate December purchases of $124 millions. Since December exports from Canada to United States were $106 millions, this suggests a dollar "gap" of only $15 to $20 millions. The corresponding gap in November was about $80 millions.

Until complete December figures are officially available, these figures are conjectural. Superficially they suggest a very marked improvement. They suggest that if continued, Canada might cut back her dollar drain on merchandise account by anywhere from $500 to $600 millions in a full year.

But any such forecasts might be highly dangerous; are presently quite unwarranted.

For one thing, December sales to United States were abnormally high. The average during 1947 has been nearer $80 millions —$25 millions less than the December total. Also, imports of key items like fuel oil are abnormally low this year due to a planned program of advance buying.

Officials who have been analyzing the early returns think it may be May before the real "dollar feel" of the restriction program is known. By that time we will have had a three-month period for a yardstick, and useful conclusions can then be drawn.

Total exports to all countries in December were $266 millions—a jump of $55 millions over December, 1946, and $13 millions greater than in November. Gains were shown especially in the wood products group due in part to higher prices and to higher sales of planks and boards, newsprint, wood pulp. Metal sales were lower due to smaller exports of aluminum and nickel as compared with November. Sales of furs and fur products were especially heavy at $6.6 millions compared with $2.3 millions a year ago and about $600,000 in November. Shipments of bacon and hams at $8.2 millions were much heavier than the preceding month. There were heavy sales of grains other than wheat.

Cumulative figures for 1947 show total Canadian exports at $2,775 millions. This is three times the prewar average and 20% above the 1946 total of $2.3 billions. Of the total, 37% went to United States and 27% to Britain. Other Empire countries took 15%. Dollar value of U. S. sales was $1,034 millions and an increase of 16% in value over 1946. Newsprint sales were 34% of the total exports, most exports being to United States. Sales to Britain during the year were $751 millions compared with $598 millions in 1946.

U.S. Protests Grow On Sales to Canada

Small Business Committee, Congressmen, Industrialists All "Making Cracks" About Exports Here

"Because it's election year, this could be immensely serious. All we can do is sit tight and keep our fingers crossed."

That seems to be the Ottawa consensus on the growing and very loud cry in Washington for bans against the sale to Canada of oil and steel.

Washington also points out that "funny things" can happen in an election year; that these sales to Canada can provide "some pretty good election ammunition in the isolationist areas." Washington officialdom vehemently contends that these sales are appropriate, and will try to continue them; but whether it will succeed in maintaining that stand against rising protest is, to use one man's phrase, "something I wouldn't put my bank account on."

Obviously Canada's C. D. Howe was not exaggerating when he said the result of a U. S. oil ban would be "a national calamity for Canada."

For months, Ottawa's worry has been steel. Throughout the war years, continued U. S. steel supplies for this country was almost constantly a ticklish problem. Every week or so Washington was bombarded with the protest of some U. S. user demanding that sales to Canada be cut off or reduced. Expert handling and the management of officialdom in both capitals, successfully prevented those demands from acquiring much momentum. But the demands have continued in the years since the war, and officialdom here admits a good deal of concern on the matter.

Oil shortage in some U. S. areas has touched off the present uproar. Canada imports about 90% of her crude and oil products from the United States.

If the United States were to raise bars against us, the inevitable for Canada would be very drastic rationing. We might be able to increase somewhat slightly our direct purchases from the South American fields; but this would not likely be enough to do more than soften the punch to our economy.

Fortunately, Canadian oil men have supplies, which, carefully used, would probably tide us over the winter, at least for heating. But a ban would hit car driving almost immediately.

Senator Urges Ban

Senator Styles Bridges, Republican, New Hampshire, has introduced into Congress a bill to restrict petroleum exports in every form solely to domestic use for one year, with none going to foreign countries, except to meet the needs of the armed services.

Representative Charles Wolverton, New Jersey Republican, chairman of the House Interstate Commerce Committee, has called for similar restrictions after a joint Congressional committee is established to study the problem.

It was also proposed in Congress that no U. S. Maritime Commission vessels be used for transport of any crude oil other than for domestic demand, and that the Commission defer delivery of promised ships to foreign purchasers.

Canadian oil companies have depended substantially on use of U. S. tankers for transporting oil from South America and U. S. Gulf ports to the main Portland-Montreal pipeline. They have not been able to secure the use of these boats since November and have depended on their own limited fleets and on tank cars.

In the iron and steel industry, R. L. Collier, executive vice-president of Gray Iron Founders' Society, Inc., of Cleveland, has reportedly sent a letter to the U. S. Department of Commerce asking for a re-study of the effects of the Hyde Park Agreement as it affects the exports of pig iron and scrap materials to Canada.

U. S. foundrymen claim that Canada may be a way-station for iron and scrap shipments to other countries. Some think that iron and steel scrap is being melted into ship "ballast" and shipped abroad, probably through Canada. It is because of this that they will feel the effect of the Hyde Park Agreement should be reexamined.

Would Extend Ban

The Senate's Small Business Committee has also come into the fray. It is barking up the Hyde Park tree. This committee is asking the Senate Foreign Relations and the Judiciary Committees to determine why export controls should not be made to apply to Canada just as they do to all other countries.

Senator Kenneth Wherry, chairman of the committee has asked Commerce Secretary Harriman "to show cause" why exports to Canada should not be controlled.

Senator Wherry points out that Canada is getting steel from the U.S. at the rate of over a million tons a year. That's about 17% of total U. S. steel exports. It represents about 36% of the Canadian steel supply, and is more than double our imports of steel from the U. S. in 1938.

Wherry said: "There is no mechanism by which the U. S. may be sure that the steel products being shipped to Canada are not being re-exported by Canada."

Some of the Senators on this committee are saying that steel mill products such as stoves, refrigerators and hundreds of other articles, are being made in Canada, using steel which should be going into the U. S. fabricating industry.

Newest entrant into the uproar is Schenley Distillers Corp., which has been using big newspaper advertisements. In one, Schenley states that when American distillers were shut down last November, Canada doubled its imports of American corn and, it adds significantly, Canada is not a starving country.

Why is the Small Business Committee worrying about Hyde

(Continued on page 2, col. 3)

Inside News

Will Canada Bar Reds?

The United States is slamming its doors in the faces of Communists and Communist sympathizers. Will Canada do likewise? Some observers see a hint that she will, in Prime Minister King's unusually blunt criticism of Communism. Labor Roundup (p 11).

Bank Debits Higher

Cheques cashed by Canadians in November, 1947, totalled $8,774 millions, up about 9% from the same month of 1946. Total bank debits at clearing house centres of the Dominion in the first 11 months of 1947 were almost 7% above the equivalent 1946 period, all economic areas except Ontario showing gains (p 9).

After King, What?

What effect will the impending resignation of Prime Minister King have on Canadian political parties? Observers questioned by The Financial Post differ widely in their opinions, but few see any advantage in store for the CCF or any other left wing group (p 10).

Need Thrift, Co-operation

Effect of low interest rates on company earnings and individual incomes; need for greater thrift in the battle against inflation; and desirability of greater unity among Canadians—these were among the themes which highlighted recent annual meetings of life insurance companies (p 16).

Fight State Medicine

The British Medical profession is putting up the first major opposition to the Attlee Government's socialization program. Spokesmen for the profession have branded the proposed state medical service impracticable; now a ballot of all doctors is to be taken to decide whether they will take part in such a program. London Calling, by Adelphi (p 24).

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The Pace of Business

Gold and base metals proved strongest spots on Canadian exchanges this week. Devaluation of franc brought price increases in gold; base metals were assisted by 1½c a lb. jump in zinc. Papers, industrials and western oils showed small declines.

November bank clearings totalled $6.8 billions vs. $7.2 billions previous month ($6.2 billions, November, 1946). Clearings for first 11 months of 1947 were $67.7 billions ($63.3 billions for same 1946 period).

Canadian exports totalled $266.2 millions in December, third highest monthly figure of year. Exports for 1947 totalled $2,774.9 millions, an increase of $462.7 millions or 20%.

Wages, salaries and supplementary labor income totalled $538 millions in October, 1947, up $8 millions from September ($454 millions in October, 1946). Aggregate for 10 months of 1947 was $4,942 millions vs. $4,201 millions in same 1946 period.

Department store sales were 22% higher in December than in corresponding month of 1946, 14% above previous peak established in November, 1947, DBS reports.

Car loadings on Canadian railways increased to 76,307 cars week ended Jan. 17 from 74,300 cars the previous week and 71,894 cars in corresponding 1947 period. Increases were 2.7% and 6.1% respectively.

Chain food stores showed 43% higher sales in November than a year earlier. Increase for independent food retailers was only 6%.

Motor vehicle registrations touched a new high of 1,622,463 in 1946 (up 8%), reversing downward trend in evidence since 1941.

Raw sugar stocks were up a third to 147.9 millions lb. in 1947, but refined sugar stocks dropped 53 million lb. to 150.8 million lb. in some period.

100,000 houses in 1948 is hope of Trade Minster Howe who says 78,000 were built in 1947. Most material bottlenecks now broken, Central Mortgage & Housing Corp. reports.

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DISCOVERY YELLOWKNIFE MINES says that horizontal drill hole into west zone at 250-ft. level ran 0.68 oz. from 101 to end of hole at 155.6 ft. Hole was stopped in high-grade, with last core from 152 to 155.6 ft. assaying 1.20 oz. True width of the intersection is calculated at 48 ft. Two angle holes have been spotted from the crosscut to probe west zone at 375-ft. level. The first hole cut 35 ft. of mineralization with incomplete assays received showing 16 ft. averaging 0.32 oz. The other hole is now drilling.

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PRICES

(Continued from page 1)

of the biggest dogfights in Ontario's vegetable distribution business history, with the wholesalers having to wear a muzzle.

Fruits: Canadian wholesalers got only 90c for their dollar when they bought a shipment of Mexican oranges at Montreal, the 10% discount being allowed when the growers explained that they would have to pay $1.10 in Canadian funds to obtain $1 in U. S. funds in the open market.

In Ontario generally, there is an adequate supply of oranges, including Mexican, at present; but traders state that these are getting fairly ripe, and have some anxiety about their carrying quality. They are selling in the stores in 7-lb. mesh bags at about 10c lb., which price is likely to hold for some time to come.

Refined zinc rose from 10½c to 12c East St. Louis, Jan. 21, and Canadian refiners followed suit. Tri-State producers are already clamoring for a further increase. Two producers — Consolidated Smelters and Hudson's Bay as smelters — get full increase. Producers of concentrates will get probably ¾c to 1c lb. from the increase.

Gas: Interim increases which will raise the price of natural gas in over 60 Ontario municipalities, were granted to the Union Gas Co. In London and Windsor, the price will be raised 7.65%, in Chatham, 26.95%, in Sarnia, 7.31% and in other areas from 5.56% to 78.58%. Even at these figures, counsel for the company said, it would mean running at a loss of $98,000 a year, but G. W. Mason, representing the municipalities, said the company should show a profit of $120,000.

Stoves—At midweek, Canadian General Electric announced a reduction in prices of electric ranges, owing to increased volume and improved manufacturing facilities. On some models, the cut amounts to $20.

Announcement by the Prices Board of a 16-cent increase in the price of tin, bringing the Canadian ceiling price from 80 to 96 lb., the world price level, will make no difference to the Canadian can buyer this year, at least, as prices have already been established. Can manufacturers will be affected, although not so seriously as might appear at first glance. Actually "tin" cans contain only about 2% tin. Bulk of the supply goes to the manufacturers of tinplate and solder.

U. S. Protests Grow on Sales

(Continued from page 1)

Park? It doesn't seem to be sure, and neither is Canadian officialdom. Much is being made in Washington of the fact that the Hyde Park deal was an "informal" one made between President Roosevelt and Prime Minister King. It was admittedly informal in that no treaty was signed and no specific terms were set down. It was rather a statement of intention and of policy, that consultation between the two countries should be constant, with a view to meshing the war-making industrial might of both nations for their mutual advantage.

Does Hyde Park still exist? Ottawa officialdom says only in the sense that the habit of prior consultation between the two governments on major moves having an effect on each other, is still the practice. But it is denied that it is under the terms of Hyde Park that Canada has been getting oil, steel and other U. S. products free of U. S. controls.

How do U. S. diplomats view the situation? The State Department, in a memorandum to the committee, favors the continuation of the Hyde Park principles, "because it recognizes an implicit responsibility on the part of the United States to continue courses of action which have had such definite and substantial effects on the economy of Canada and the abandonment of which would cause serious disruption."

One U. S. note to Canada on the matter, which has been unearthed from official files by the delving committeemen, says "the declaration itself contains no termination date, specific or implied."

While some officialdom in both capitals is inclined to regard all this as a tempest in a teapot, it is freely admitted that this issue of Canadian imports—and Canadian import controls — might prove popular with more Congressmen, and that the whole thing might snowball into a political issue of dangerous proportions.

Look For It Here

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Court Bars Corp. Plan

(Continued from page 1)

shareholders and approved by the court.

According to the decision handed down, the issues in the case were:

(A) Validity of the shareholders' vote.

(B) Nature of the information given to them.

(C) Fairness of the arrangement.

With respect to the information given, the court held that shareholders were not advised by the directors of their (directors) share holdings. Also, they were not shown the profit and loss accounts of the subsidiary companies, were not told that the price of newsprint had increased several times and that profits had increased and would increase still more. At the same time the shareholders were advised that the arrangement was in the interest of the company and of all the shareholders which, according to the court, was not the case.

Claims Shareholders Influenced

With respect to the fairness of the arrangement, Justice Boyer noted that a large number of shareholders who voted in favor of the plan were necessarily influenced by their common share holdings as well as preferred.

Van Alstyne interests were cited as one which held 150,647 shares of common as against 2,550 preferred shares. Also the Timmins interests which owned 26,993 common and 14,900 preferred. Directors who in their own right and by proxy voted in favor of the plan represented 20,819 preferred and 231,263 common. The court noted that a 5- to 10-point rise in the market price of the common stock would net the Van Alstyne interests $753,235 or $1,506,470.

The court's decision held that the arrangement as contemplated by the relevant section of law was in the nature of a compromise where each class made the same sacrifice of its rights. In the case of the Corporation plan, it was held that the common shareholders were giving up nothing.

As for the preferred the decision stated: "On the other hand the position of the preferred shareholders is impaired because payment of accrued dividends to which they are entitled is deferred (second preferred stock) and because the prospect of their being paid, while good now in view of the present inflation and vastly increased price of newsprint, may not be so good in the course of time when there may be a depression as occurred after the first war."

Justice Boyer held that the position of the common shareholders would be improved since the effect of the plan would be to hasten the time when they could receive a dividend.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Arnett Co. (Winnipeg)—Leslie E. Elliott, engineer in charge of refrigeration and air conditioning.

Alberta Government — Alex Frame, highways commissioner; Jas. McQueen, superintendent, highway maintenance; J. H. Johnson, assistant superintendent.

Barber-Hewson Ltd.—F. J. Barber, president; J. R. Hewson, vice-president and general manager.

British American Oil Co.—A. G. Cockrill, director of industrial and public relations.

Brown Corp.—Howard G. Brush, controller.

British Columbia Government — N. W. McPherson, assistant deputy minister of public works.

Building Products Ltd.—J. R. Harris, a director.

Canadian National Railways—W. K. Cain, city ticket agent, Calgary; Earl D. Baker, city ticket agent, Vancouver; G. A. Ward, dock ticket agent, Vancouver.

Central Canada Exhibition Association (Ottawa)—D. Roy Campbell, president; W. A. Armstrong, E. A. Bourque, vice-presidents.

Canadian National Railways—F. B. Mitchell, locomotive foreman, New Carlisle, Que.

Canadian Dairy Industry Suppliers' Association—C. L. Upper, president.

Colgate-Palmolive-Peet Co.—Robt. Tamblyn, Ontario toilet article district manager.

Canadian Pacific Railway Co.—Allan C. MacDonald, executive to president.

Caterpillar Tractor Co. (Peoria)—W. K. Cox, advertising manager.

Canadian Westinghouse Co.—A. G. Teskey, office manager, Regina.

Dominion Government—Geo. R. Clark (Vancouver), director of Pacific and inland fisheries.

Dominion Textile Co. (Montreal)—C. C. Mackellar, general sales manager.

Ford Motor Co. of Canada (Windsor)—J. M. Cochrane, a director.

J. J. Gibbons Ltd.—C. W. Cook, office manager, Montreal.

Great-West Life Assurance Co—Stefan Hansen, group actuary; R. L. Jex, group secretary.

Grand'Mere Knitting Co.—Roger Belanger, a director.

Gordon Mackay & Co. (Toronto) Robt. Fetherston, manager Moncton office.

International Halibut Commission—A. J. Whitmore (Vancouver) chairman; Geo. Nickerson (Prince Rupert) a member.

International Harvester Co. of Canada (Hamilton)—B. C. Axalson, manager, motor truck sales.

John Labatt Ltd.—L. C. Bonnycastle, vice-president and secretary.

London Life Insurance Co.—J. E. Jeffery, chairman of board; Archibald McPherson, president; Joseph Jeffrey, vice-president; Edgar G. Burton, a policyholders' director; Russell E. Munroe, assistant actuary.

Laurentide Acceptance Corp.—Merrill Allard, supervisor.

Montreal Trust Co.—O. B. Thornton, a director and a vice-president; R. Dickson Harkness, a director.

McGill University—H. de M. Molson, Dr. J. R. Fraser, governors.

Personnel Association of B.C.—A. Campbell, president; C. P. Chaston, Morgan Whidden, vice-presidents; Miss Eva Prior, secretary; D. J. McLean, treasurer.

Provincial Bank of Canada—Lucien Masse (Hull), Odilon Crevier (Chicoutimi), commissioner censors.

Quality Steels (Canada) Ltd.—Howard J. Wright, plant manager; Fred J. Allan, sales manager; Geo. H. Reed, secretary-treasurer.

Quebec Superior Court — Arthur I. Smith (Montreal) a justice.

Robert Simpson Montreal Ltd.—C. A. East, assistant general manager.

Robert Simpson Eastern Ltd.—Chas. B. Stewart, retail manager, Halifax.

Standard Oil Co. of B.C.—E. A. Bence, marketing manager; Ivan Trousdale, advertising and public relations manager; C. G. Brook, assistant to president; Victor Wiebe, refinery manager.

Toronto Fashion Industries—Chas. Foster, president of directors.

Toronto Board of Trade — Hugh H. Lawson, president; E. G. Burton, Beverley Matthews, vice-presidents.

Saskatchewan Government—S. R. Muirhead, general manager, Government Telephones.

Joseph Stokes Rubber Co. (Welland)—Lloyd J. Falkenhagen, vice-president and general manager; Jas. A. Skidmore, assistant treasurer.

Shoe Manufacturers Association of Canada—L. Paul Duchaine (Quebec) president.

Trans-Canada Air Lines—J. A. Morgan, traffic representative, Moncton.

Underwood Ltd. (Toronto)—J. F. Carolan, assistant general manager; H. T. McConkey, advertising manager; R. G. Fitzpatrick, public relations director; Sophie Michas, director, educational division.

Vancouver Motor Dealers' Association—Dan McLean, president.

Vancouver Chamber of Shipping—Capt. C. L. Barry, president; C. C. Busch, vice-president; H. W. Cameron, secretary; Geo F. Wales, treasurer.

Westeel Products Ltd. (Winnipeg)—G. W. Sunderland, manager, Toronto division; E. F. Mellish, divisional sales manager; F. L. Prior, divisional contract manager. ager.

Western Canada Produce Association (B.C. Division)—Geo. Crowston, chairman; Wm. Longfellow, vice-chairman; W. W. Curties, treasurer; M. L. Cunningham, secretary.

White Motor Co. of Canada—Bernard A. Gunn, secretary; Joseph Attwell, manager, Hamilton branch.

Stewart-Lovick & MacPherson Ltd.—Hubert S. Watson, an executive member.

War Assets Corp.—A. A. Tierney, branch sales manager, Montreal; J. C. Gray, Toronto branch sales manager; J. S. Auston, J. V. Cargo, assistant sales managers, Toronto branch; W. H. Sharman, branch sales manager, Winnipeg; M. L. Fitzgerald, manager Vancouver branch; J. B. Harding, J. A. Simms, assistants, Vancouver branch; E. E. Thompson (Ottawa), chief, special sales division.

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THE ADVERTISING BUSINESS

What Can Ads For Processed Food Say? Here Are Arguments in Ovaltine Case

By WALLACE GILLESPIE

How far can the manufacturer of a vitamin-reinforced product go in comparing his merchandise with natural foods? To what extent can he advertise a need for extra vitamins beyond those a person obtains in his normal meals?

A Toronto magistrate is going to throw some light on this subject next week. For seven days, Magistrate F. C. Gullen listened to evidence and argument concerning these and other points in the advertising of Ovaltine. On Feb. 6, he's slated to hand down a judgment which should be of considerable interest to food and drug merchandisers generally.

The complainant in this case is the Department of National Health and Welfare. The defendant: A. Wander Ltd. of Peterborough, makers of Ovaltine.

The charge: Advertising in a Toronto newspaper on May 28, 1947, "in a manner likely to create erroneous impressions regarding the value, composition, and merit of said food."

It's a safe bet that the "reasons for judgment" given by the magistrate will be studied by a much wider circle than those directly concerned with the sale of Ovaltine.

The case derives general interest from the fact that this is the first time that Section 32A of the Dominion Food and Drug Act has undergone a real test in the courts. It is not the first time this section has been in court; it has been the basis of an earlier prosecution in company with charges under other sections of the act. This time, however, the Department is proceeding solely under 32A, which reads:

"1. Every person shall be guilty of an offense under this Act who advertises any food or drug in a manner which is misleading or likely to create erroneous impressions regarding its value, composition, merit, or safety, either by reasons of statements made or device made use of in such advertisement, or because of failure to disclose in such advertisement essential facts concerning the actual properties of such food or drug.

"2. For the purpose of subsection one of this section, responsibility for the advertisement shall rest upon the person who causes the advertisement to be issued and not upon the printer, publisher, or other party who issues such advertisement in good faith."

Under subsection one, the Department made no attempt to show the company's advertising "misleading" or erroneous as to "safety." These deletions left the company charged only in regard to "value, composition, or merit." In regard to subsection two, the company made no attempt to disclaim responsibility for the advertisement.

The advertisement told readers of a new way to take vitamins "for better results." It said vitamins work most effectively in combination with certain other food elements, and that "if you're eating normal meals, two glasses of Ovaltine will give you all the extra vitamins and minerals you need for robust health." Then, in an illustrated "box," it made comparisons between the nutrient values of Ovaltine and those of certain natural foods.

A. H. Friedgut, K.C., summing up for the Crown, drew attention to the illustrated box:

"It says Ovaltine contains more Vitamin D than 10 ounces of butter, but butter is known for calories rather than for Vitamin D. It says more riboflavin than three quarters of a pound of sirloin steak, but steak is noted for protein, and riboflavin is fifth down in the list of its qualities. It says more niacin than six slices of whole wheat bread, but whole wheat bread has usually been associated with Vitamin B1, rather than with niacin."

The crown counsel said that, not only did the advertisement make comparisons of this nature, but also it may give some people the impression that Ovaltine contains more nutrient than the sum total of the foods shown. (The company said this was not its purpose).

Added Qualities of Milk

Mr. Friedgut added that the advertisement makes a positive statement about Ovaltine, and, (in working out nutrient values) credits it with the nutrient qualities of milk.

Much of the technical evidence of the case centred on this last point. The Department witnesses noted the directions on the tin to use "three or more teaspoons of the dry Ovaltine product in making the Ovaltine beverage. They computed with three teaspoons which they termed "generously rounded." They said there wasn't enough nutrient value in the dry Ovaltine itself to satisfy the comparisons made in the illustrated box in the ad. Furthermore, the Crown's experts contended, two glasses of milk alone, without any of the dry powder, would satisfy "a large part" of the comparisons made.

The defense to this point was based upon a greater weight of the dry Ovaltine per glass (both Crown and defense were agreed upon the nutrient values of Ovaltine per 100 grams).

Defense Counsel T. J. Carley, K.C., contended that the Toronto housewife was not restricted to the same spoon that the crown witnesses used nor to their idea of what a rounded (or any other kind) of spoonful is. He brought an apothecary's scales and an independent expert into court to weigh out the material. The result was sufficient to confirm the statement on the label that "The three recommended servings of Ovaltine weigh 56.6 grams." (Crown witnesses said they could not reconcile this statement with the directions to use three or more teaspoons per serving).

What's in Mixed Beverage

On the company's weights, defense experts gave a breakdown of two nutrients within a glass of the mixed Ovaltine beverage. The breakdown ranged from iron (said to be derived 96% from the dry Ovaltine and 4% from the milk with which it is mixed) to protein (said to be derived 23% from the dry Ovaltine and 77% from the milk.

Between these extremes were eight other nutrients, broken down as to source. Averaging the percentages given for each of the 10 items showed: dry Ovaltine, 59%; milk with which it is mixed, 41%. Under cross-examination, the research director from the company's Chicago office admitted that a simple averaging process was not of great value in view of the relative importance of the individual nutrients.

The magistrate set down one of the central issues of the case as this: "Whether Ovaltine plus milk equals Ovaltine: whether Ovaltine per se is a beverage."

Company witnesses reiterated that Ovaltine was invariably recommended to be taken with milk, (the words "made with milk" appear in the body text of the advertisement) but a Department official said he could see no indication in the illustrated box whether Ovaltine was to be taken dry, mixed with milk, water, or some other food. The defence counsel dealt with this point in his concluding argument as follows:

"The box says it is referring to two glasses of Ovaltine. If they were filled with the dry substance, then the comparison is true. (Earlier evidence had indicated that five ounces of dry Ovaltine would validate the comparison without milk). If the substance is not taken dry, then it must be mixed with some liquid to form a beverage. If the person reading the advertisement didn't know what amounts to mix and didn't know what liquid to take it with (such information is not given in the box), then there would be absence of impression, rather than erroneous impression."

J. UBALD BOYER

has been elected a director of the Provincial Bank of Canada, with which he has been connected for 30 years; more than 10 years as general manager.

Crown Contests Ad Statement

In the body text of the advertisement, Department officials found fault with the statement: "Latest evidence shows vitamins do not work alone; they work most effectively in combination with certain other food elements —which are absolutely necessary for best results."

Here there was an almost direct divergence of expert opinion.

Dr. Lionel Bradley Pett, chief of the nutrition division, Department of National Health: "There is no value in simultaneous ingestion of vitamins with food that cannot be achieved with foods and vitamins taken separately. The rate of digestion and absorption of the different constituents varies greatly even if taken at the mouth at the same time."

Dr. Benjamin Harrow, professor of bio-chemistry, New York University, called by the company, didn't maintain that there was any value in "simultaneous ingestion," but he was prepared to accept the idea that there may be advantages in getting vitamins through the fortification of a natural food such as Ovaltine, compared with getting the same vitamins "alone" (presumably in pills). It was this comparison, rather than a comparison between Ovaltine and natural food, that had been suggested to him by the advertised statement: "A new way to take vitamins—for better results."

Question of "Normal" Meals

Department's criticism of the advertised statement: "If you are eating normal meals, two glasses of Ovaltine give you all the extra vitamins and minerals you need for robust health" was stated by crown counsel as this: "It immediately shakes the confidence of the person who reads it in his normal meals."

Dr. Pett testified that, if a person were regularly eating the types of natural food shown in the ad, he would not require any extra vitamins and minerals.

In defending itself on this point, the company sought to learn from Dr. Pett the exact extent of malnutrition in Canada, questioning him on an excerpt from the August, 1947, issue of "Nutrition Notes," published by his department, reading: "Canadians are well fed, but not well nourished. One quarter of the people (covered in a particular study) are not getting one-third of the food recommended. Mild rickets exist in some parts of Canada in 20% of children."

Mr. Carley's questioning along this line was halted by a ruling from the magistrate that: "The general subject of malnutrition in Canada is not a subject of this issue."

The point was touched on again in the testimony of Dr. Harrow who said: "If 'normal meals' is equal to the average meal, I wouldn't care to say that extra vitamins and minerals aren't needed." The New York professor added: "Since there is a vast distance between optimal health and disease of a clinical nature, it may be best to take something for protection" (Dr. Pett would not agree there was vast distance between health and a state which is capable of clinical observation).

Nutrition surveys conducted by the Department, Dr. Pett testified, had not revealed any wide need for reinforcing normal diets in five of the 10 nutrients ascribed to Ovaltine. Most diets, he said, have been found to be adequate in Niacin, Vitamin B1, Vitamin A, Phosphorus, and Protein. Furthermore, Thiamine, Niacin, and Vitamin C are rapidly eliminated from the body, and it would appear unlikely that any large amounts, surplus to the body's immediate requirements, could be stored for future "protection."

Volume of Sales

The magistrate also has before him the question of whether volume of sales can be taken as an index of the ease with which erroneous impressions can be created. James G. McMillan, president and general manager of The Wander Co., Chicago, said Ovaltine runs around 20 million units of sale yearly in the United States—an indication, according to defense counsel, that incorrect notions about whether it should be mixed with milk or water, etc., are unlikely. He held it significant that none of the 200,000 purchasers of the Toronto Star in Toronto had come forward to state that he or she had received any erroneous impressions. (Mr. Friedgut said he would not introduce evidence of this sort, since both sides could add new witnesses endlessly).

The advertisements of the company, he said, were always passed upon by a physiologist-biochemist and by a lawyer. The company's arrangement with the former, he explained, provided that he could never be called to give evidence against the Government.

Mr. Carley said the evidence of Crown witnesses indicated what the advertisement had meant to them "as nutritionists," whereas the average reader "doesn't examine an advertisement with such meticulous care, looking to see where he may be led astray."

The average reader, Mr. Carley claimed in his summing up, would receive these general impressions from the advertisement:

1. That Ovaltine is rich in vitamins, minerals, and other food elements. (Crown counsel: "We have no intention to discredit the product; no intention to impune the company or its officers").

2. That Ovaltine provides a better way of taking vitamin than in capsules, etc. (Mr. Carley: "We make no attempt to make any other comparison" e.g. with natural food).

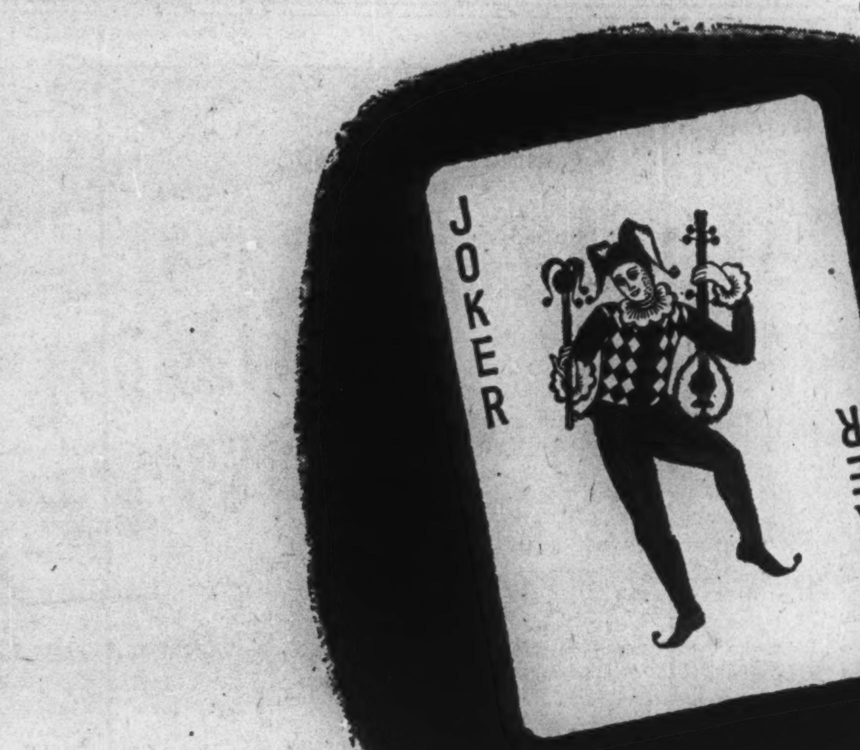
3. Two glasses of Ovaltine made with milk, taken with meals that are not too low in nutrients, will ensure that his or her intake of these food elements will not fall below a minimum required to maintain robust health. (Mr. Carley: "The Crown has to prove beyond all reasonable doubt what the meaning of 'normal meals' is, and it hasn't done so").

Argues on "Erroneous Impression"

Mr. Carley put forward some arguments on the interpretation of Section 32A which may be of general interest.

The Act, he argued, did not provide that a man was guilty if his advertisement "might create" or "could create" an erroneous impression. In this case, he said, the meaning of the word "likely" was only satisfied if the Crown proves beyond all reasonable doubt that an advertisement "would create" or "does create" an erroneous impression.

Furthermore, he added, the offending impression must be created "within the four corners of the advertisement and no place else," pointing out that the company was not charged upon statements made upon its label, even though the directions on the label were the basis of certain computations.



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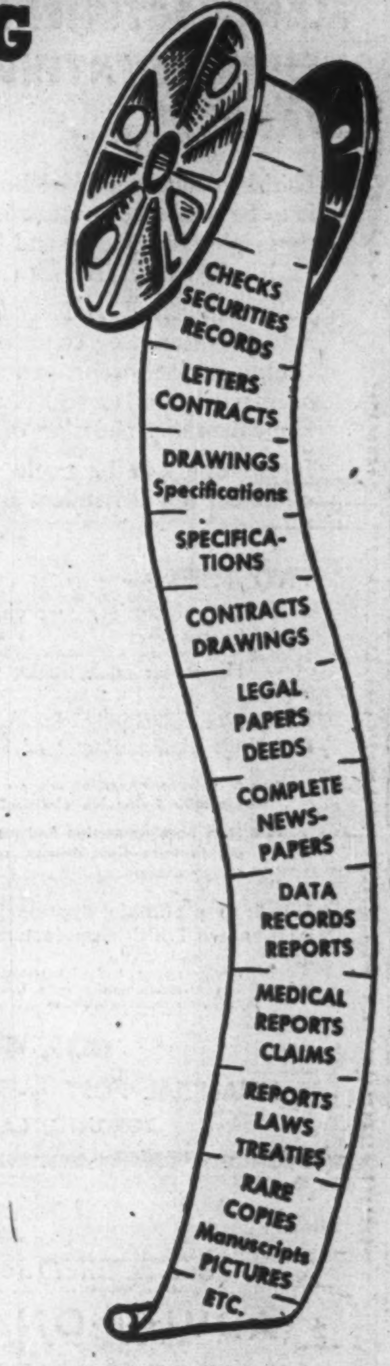

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INVESTMENTS THIS WEEK

Timing Seen as Important As Selection For Investor

There are two well-recognized elements of successful investment. One is the selection of the security to be bought. The other is the decision as to when to buy.

The timing of any investment, and so market forecasting, plays almost as important a part in successful investment as the selection of the security. The importance of timing has been stressed by the replies of brokers to The Financial Post survey to determine the most popular stocks to hold over the next three years (see page 14). But market forecasting is based more on intangible factors and individual opinions than on tangible, readily visible facts.

Both the Canadian and U. S. stock markets are currently suffering from an acute case of cold feet. Stock prices have failed to reflect higher earnings and record-breaking production for 1947 and the good backlog of orders. Obviously it is not lack of good news, but lack of confidence that is holding the market down.

This indicates the difficulties of accurate forecasting. These are also stressed in the January letter of A. E. Ames & Co. entitled "The Perplexing Prospects of 1948." (See below.) The wise forecaster always attempts to weigh the momentum of business financial currents against the stresses and strains, the distortions and maladjustments that have always been responsible for initiating and then accelerating the changes in business tides. Many "systems" have been developed to forecast market trends.

How reliable the various stock market forecasting methods are, is usually a subject of vigorous controversy. Some methods have been successful at one time, others at another. But so far, no completely reliable method has been developed to tell an investor in advance what to do. As a result of the inability to forecast correctly, some of the largest investment companies and institutions are operating on an average price "system." A stock is sold in accordance with a definite plan once the price has gone so far above a certain predetermined price which may be its average for a certain previously determined number of years and not purchased again until its price is below the average and then only in accordance with the set plan.

• • •

Annual Reports

Enlightened management should disclose all the facts, both favorable and unfavorable, in its annual report, and give the owners (the shareholders) a chance to form a true opinion of the company, its operations and its prospects.

In referring to annual reports J. G. Godsoe, executive vice-president of British American Oil Co. states:

"It is fully realized that most information of value is excluded from reports because management believes it would hurt the company's competitive position. In some cases, this fear no doubt is justified; but bearing in mind the importance that people should know the truth, rather than accept distorted half truths, and that a competitor worth his salt is generally successful in acquiring a good deal of the information he seeks anyway, I would hope that so far as it is truthfully possible, the fullest information could be made available to employee and shareholder."

Management should keep this in mind in preparing annual reports.

• • •

H. R. MacMillan Export Co. annual report is one of the most complete annual reports published in Canada. It gives directors, officers and names of subsidiaries; outlines the distribution of proceeds from sales and services; comments on significant provincial changes, personnel and other factors; gives a comprehensive review of market conditions and is attractive in appearance.

• • •

Canadian Breweries Ltd. annual report for the year ending Oct. 31, 1947 is striking in appearance, attractive and interesting in layout. It is well illustrated with both pictures and charts. It recognizes its advertising and public relations value. The statements are shown in comparative form for the last two years and are well documented with explanatory notes. Out of each revenue dollar 43.2% goes to taxation, 24.7% materials and supplies, 11.2% wages and salaries, 4.2% selling expense, 3.3% transportation and distribution, 3.8% depreciation and insurance, 1.6% administration and finance and 8.0% net profit.

• • •

New Factors Make Forecasts More Complex, Ames Says

While it is true that there are new influences conditioning our way of life in the 1940's it is also true that there are powerful creative and constructive forces to combat the fears of depression. Just as the forecasts of recession in 1947 were groundless, so may the vagrant apprehensions about 1948 be dissipated in the year's events. This is the conclusion of the January letter of A. E. Ames & Co. entitled "The Perplexing Prospects of 1948."

The customary complexities in forecasting are now magnified by the acute unsettlement abroad and by the variety and importance of new controls at home which will necessarily affect production, consumption and capital investment in the new year, the letter points out. Business forecasts must now be made with due recognition that in one way or another the fundamental factors of prices, interest rates, profits, rents, foreign exchange values and so forth are not entirely free to exercise their customary influence due to state intervention and a variety of controls.

We are now in the midst of an experiment of almost worldwide proportions, it is pointed out. At one time or another each of the economic factors whose changes have hitherto been relied upon to produce balance and long-term progress in economic affairs has been subjected to the restraining influence of government intervention. In terms of economics these policies are obviously an unprecedented experiment, and the wise forecaster must heed them carefully because their implications are not yet known.

This experiment has been conducted under the favorable conditions of rising peacetime and wartime prosperity and cannot be regarded as conclusive until it has been tested under adversity. Further, since it is an experiment its results can only be prejudged in terms of its apparent accomplishments and effects which, at the moment, are a matter of individual opinion and judgment, it is pointed out.

At present the level of production and sales is high, continued shortages of consumer and capital goods at home and abroad promise well-maintained unfilled order books, unemployment is at a minimum, money is still in abundant supply with high-grade bond prices recently receding to more realistic levels, and great new construction projects are being planned or are under way. The momentum of business activity in Canada is so great that it is hard to visualize any quick reversal of prosperity, the letter states.

Yet, on the other hand, it has always been some unexpected crisis originating in some major or minor maladjustment that has served to touch off a reversal. What makes the prospect for 1948 so baffling is that while some maladjustments are concealed, others which are in clear view must be assessed in terms of the power to restrain or remove them. For example, the prospective effect of regulation of capital goods imports and higher costs of long-term borrowing can produce a marked alteration in the outlook and affect plans of business to spend on new construction, etc.

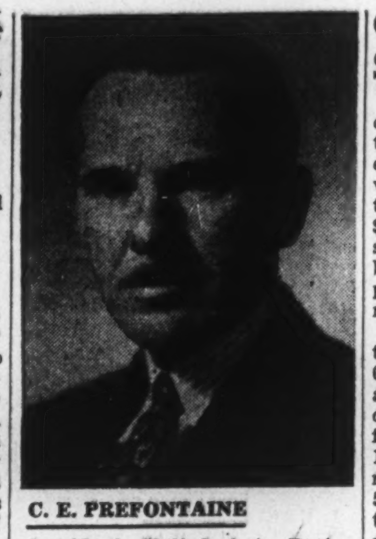
There are certain favorable factors in the situation. The speculative boom in securities which touched off the collapse in 1929 is conspicuously absent. The inordinate rise in commodity prices and land values during and after World War I had not yet been matched in 1947. The various forms of economic nationalism which stagnated international trade in the 1930's are only reviving slowly by reason of dollar shortages and are overshadowed by important evidences of international economic collaboration. The deadweight of vast, unmarketable surpluses of natural products is no longer an economic millstone.

• • •

What Has Can. Breweries Invested $824,582 In?

An increase of $824,582 is shown by Canadian Breweries Ltd. in its "investments in allied companies at cost" during the last fiscal year to bring the total to $1,963,370 at Oct. 31, 1947. The market value of this investment is $2,354,500. The shares are listed but Canadian Breweries does not reveal the name of the company or companies.

The company's investment in Dominion Malting Co. was increased slightly in the fiscal year to 89.3% of the outstanding common shares of this subsidiary as at Oct. 31, 1947. (86.4% a year earlier).



C. E. PREFONTAINE

president, United Auto Parts, has been elected a director of the Provincial Bank of Canada.

DETOUR INTO CONTROLS

by A. F. W. Plumptre

Read this Article in *INTERNATIONAL JOURNAL* (JANUARY, 1948)

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Can. Converters Sees Good Year

MONTREAL (Staff)—Earnings of Canadian Converters' Co. for the year ended Apr. 30, 1948, are expected to compare favorably with last year when earnings on the 69,340 Class A shares were $4.77 per share, the company states. It is stated that this will be achieved despite difficulties of production and shortage of raw materials.

During the present fiscal year, the company has redeemed $200,000 of its funded debt which stood at $500,000 on April 30 last. Redemption consisted of $50,000 3% first mortgage bonds due Mar. 1, 1948 and $150,000 of 3½% first mortgage bonds due Mar. 1, 1949-51. It is stated that the redemption did not result in any reduction in working capital since sufficient funds were on deposit with the trustee. A sum of $179,000 received from sale of property was deposited with the trust company as security against the bonds. There are now $300,000 of first mortgage bonds outstanding, the company reports.

SENATOR-ROUYN Jan. 11 installment on 20,000 shares at 70 cents a share together with each subsequent installment with Cuani Mining & Milling Co. have been extended for one month.

LINGMAN LAKE GOLD MINES advises that an additional one million shares have been approved for listing on the Toronto Stock Exchange, bringing total listings to four million shares.

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The Company carries on business under its own name and through fifteen well-known subsidiary companies including McCormicks Limited; William Patterson Limited, National Biscuit & Confection Co., Limited and Western Grocers Limited.

In the United States, Weston Biscuit Company Inc. and its wholly-owned subsidiary, Southern Biscuit Company Inc., serve the Eastern and Southern States.

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4½% Cumulative Redeemable Preferred Shares
Price: $100 per Share and accrued dividend, to yield 4.50%

These Shares are the senior security of the Company and are a legal investment for funds of insurance companies.

A Prospectus will be furnished gladly upon request.

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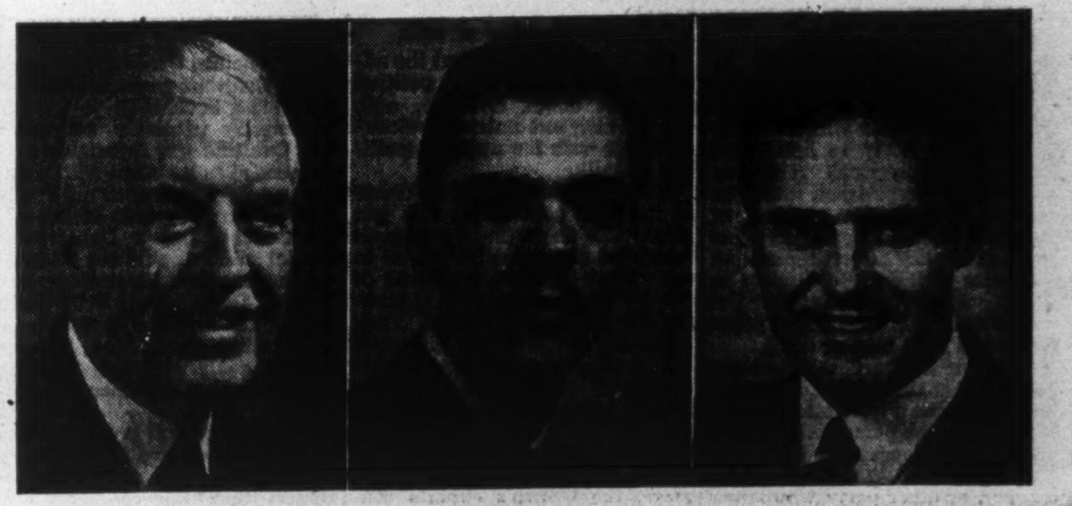
Hamilton Montreal New York Kitchener
Ottawa Regina Edmonton Halifax Victoria
London, Eng. New Westminster London, Ont.

NEW NORZONE MINES has received payment for balance of Jan. 19 underwriting on 50,000 shares at 17½ cents a share. Issued capital—1,800,002 shares.

CHIMO GOLD MINES balance of Jan. 1 installment on 81,000 shares at 35 cents a share and each subsequent installment have been extended for three months.

NEW UNDERWOOD APPOINTMENTS



J. F. CAROLAN — H. T. McCONKEY — R. G. FITZPATRICK

New executive appointments have just been announced by Joseph L. Seitz, President of Underwood Limited. They are: James F. Carolan, Assistant General Manager; Hugh T. McConkey, Advertising Manager; and Robert G. Fitzpatrick, Director of Public Relations.

"Many years ago our Company adopted the oak tree as its symbol of sturdy growth and deep-rooted security for policyholders. These objectives continue and will continue to be diligently pursued. Crown Life policyholders now own over 200,000 policies in force." —From the President's address at the 47th Annual Meeting, January 23, 1948.

Policies in Force—$541,872,892.00

Assets—$102,000,411.74

Surplus Funds—$5,446,678.26

New Policies in 1947—$114,923,282.00

Paid or Credited to Policyholders and Beneficiaries in 1947—$18,468,490.64

Interest earned in 1947—3.77%

CL 48 1

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ACCOUNTANT WANTED

Qualified insurance accountant required by large insurance company. Applicant should have practical experience in the general routine of an insurance company's accounting dept. Reply by letter only to The Home Insurance Company, 276 St. James Street West, Montreal, giving all pertinent facts as to experience, age and salary expected. Applications will be treated with the strictest confidence.

QUEBEC MANGANESE MINES is making initial shipment of manganese ore from its Magdalen Islands property to Hamilton, Ont. Open cut mining is continuing during the winter months, and as soon as picker belt is erected and housed, ore will be stockpiled against large shipment when regular navigation reopens. Shaft sinking is expected to get under way soon, to carry the shaft below known ore depth of about 225 ft. Shaft sinking, underground work and erection of a beneficiation plant will cost around $150,000.

GEAR CUTTING

The Special Products Division of S. F. Bowser Company, Limited, of Hamilton, Ontario, has available gear cutting capacity. Gleason work, bevels ⅝ to 6 inch o.d. Barber Colman work, spirals and spurs ⅝ to 6 inch o.d. Fellowes work, spurs and change gears ⅝ to 7 inch o.d.

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MANAGED INVESTMENT

Compton Keeps Position On Both Sides of Market

"We may suppose that in 1948 the range of market movement is likely to broaden again, say, to 45 or 50 points," Compton's investment manager says. "Investors should be prepared for some sweeping changes in prices. Our guiding principle this year should be to manage our affairs so as to keep on both sides of the market."

Compton's Manager Says:

On Dec. 19, last, the shareholders of York Knitting Mills approved a change in the capitalization of the company. Holders of the old common shares received one class A share and two class B shares for each old common share.

Since you had held previously 120 shares, you received 120 class A shares and 240 class B shares as a result of this "split." As the class A stock carries a cumulative dividend of 40c per annum, you suffered no loss of income on the transaction; and will gain income, if the class B shares are put on a dividend basis. At the present time the class B shares pay no dividend.

Since the class A stock pays a cumulative dividend, your 120 class A shares have been placed in the preferred section of your investment portfolio. A nominal value of $7.75 a share (representing the initial bid price when the class A shares were listed on the Toronto Stock Exchange) has been placed on this A stock.

In view of what had already happened to interest rates in Great Britain and in the United States, withdrawal of the Central Bank's support from Dominion bond prices on Jan. 5 was not altogether surprising. Long-term Dominion issues, as represented by the 3% 1961-66 bonds, are now quoted about three points below the prices prevailing prior to Jan. 5. Lower bid prices for Dominion bonds are, of course, reflected in the market value of your own bond holdings.

During the period from Dec. 16, to Jan. 15, you received income amounting to $142.40. It was agreed, when we took over your account, that you should transfer $25 monthly from revenue to your personal account for living expenses and this has been deducted; the balance, $117.42, has been transferred to your cash account, which, therefore, on Jan. 15, showed a net cash balance of $153.49.

Our policy has always been to make every dollar in your account work for a living; accordingly, we told your broker to purchase an additional $100 Dom. 3%, 1951-60 bond. This he did on Jan. 15 (after the break), paying $102.25 for it, and thus increased your expected annual income by $3 to a new high of $649.

Last year witnessed a very restricted range of movement in the prices of securities on the Canadian Stock Exchanges. The limits of the T.S.E. industrial average in 1947 were 184 and 160, the spread being not much more than 24 points. This makes a sharp contrast with the limits in 1946 (208 to 167—a spread of nearly 41 points), and in 1945 (178 and 132—almost exactly 46 points). But in 1944 there was an even narrower range than in 1947 (of less than 16 points — from a little more than 132 points to a somewhat less than 116 points). Thus the parallel appears to be between 1947 and 1944. Whether the general direction of future change in the market will be downward or upward, no person now knows.

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
10	Can. & Dom. Sugar ..	22	18
5	Can. Canners	21	20½
10	Can. Pacific Rlwy. ...	13¼	14¼
20	Consol. Litho.	17¼	21½
5	Consol. Smelters	85	98
5	Consumers' Gas	140	151
5	Goodyear	95½	103
15	John Labatt	20	24¾
35	Montreal Locomotive .	18	16
120	York Knit Mills B ...	3⅛	4¼
15	Walkers	26⅝	25⅛
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	20
30	Can. Wire Box, A	23¾	24
25	E. B. Eddy Co., $1	22	18¾
25	Riverside Silk, A	32½	30
30	D. Stuart Oil	16¼	18
50	McCabe Grain, A	11	9
120	York Knit. Mills A ...	7¾	7¾
	Mining Stocks		
100	Teck-Hughes	3.90	3.35
5	McIntyre	64⅓	57¼
15	Kerr-Addison	16¼	14½
	Bonds		
$1,000	Can., 3% 1957/60	100½	102
1,700	Can., 3% 1959/62	100.98	102
Cash			$50.88
Curr. Market Value of Fund ...			$13,147.38
Average Yield on Original $10,000			6.49%

*Bid price on Jan. 15, 1948.

ALUMINUM CO. OF CANADA advises that a total of 576,704 shares of 4% preferred stock is now outstanding.

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Bell Seeking Private Sale Long Term Bonds

MONTREAL (Staff)—Bell Telephone Co. of Canada is negotiating for the private sale of $35 millions of long-term bonds, The Financial Post understands. A company official states that "nothing has been sold yet." It is reliably reported that negotiations have been under way with financial institutions.

It is believed the bonds will be 25-year and possibly carrying an interest rate of 3¼%. It is recalled that the $25 millions of Series D 3¼% bonds sold privately to Canadian and American institutions in 1939 commanded a price of 102 in United States funds. Observers here believe that the current trend toward higher interest rates may indicate a price of par for the present Bell bond issue. So far Bell officials have made no public announcement.

Inglis Offer "Best Possible" Gordon Says

Shareholders of English Electric Co. of Canada should accept the offer of exchange of shares received from John Inglis Co. English Electric president Crawford Gordon, Jr. states in a letter to shareholders. Directors are satisfied that they have negotiated the best offer possible, Mr. Gordon says.

For each English Electric "A" share with an equity of $55 the shareholders will receive Inglis shares and cash with an equity of $60.10. For each English Electric "B" share with an equity of $16.10, the holders will receive one half share of Inglis stock with an equity of $28.55 a share, the president claims.

The comparison of equity values as shown in the literature forwarded by Gregory Charlap, acting on behalf of an alleged group of shareholders, seeking "a new and better proposal," does not reflect a proper appraisal of the comparative total asset values upon which any agreement must necessarily be based, it is stated.

Dividends on the English Electric "A" share have had to be suspended with no prospect of resumption for a considerable period of time, Mr. Gordon added. No dividends have ever been paid on the "B" shares. English Electric shareholders will meet in Toronto on Feb. 2 to vote on acceptance of the John Inglis Co. offer.

Sask. Federated Co-op. Buys Leduc Well Site

From Our Own Correspondent

REGINA — Saskatchewan Federated Co-operatives has purchased a 40-acre drilling site in the Leduc area of Alberta for about $10,000. The concern, undertaking its first venture in the exploratory field, must commence drilling operations before May 1, 1948, under terms of the agreement.

The co-op will have to pay a 50% royalty to the Alberta Government, in addition to the province's regular royalty, if successful in discovering oil.

Any crude found would be shipped to the co-op's plant in Regina for refining.

Ottawa to Buy OER at About $6.3 Millions?

OTTAWA (Staff) — It now looks as if nothing can stop the sale of the Ottawa Electric Railway to the City of Ottawa on Aug. 13, 1948.

Ottawa City Council voted unanimously last week to have ratepayers vote on the matter on Feb. 16. Since that time, Mayor Lewis and individual controllers have heartily endorsed the plan. The company itself is apparently willing, so little opposition seems likely to develop.

Price agreed to by the Council's Street Railway Committee, and the OER directors is $6 millions plus capital additions since Nov. 1, 1947, to an amount not greater than $300,000. Thus the total or outside figure which Ottawa citizens will pay for the property is $6.3 millions.

Separate valuations have recently been made on the property by both civic and company valuators. The city's valuator was Francis S. Haberly. The company's valuator was William M. Black. Their respective valuations were as follows:

(In millions of dollars)

	City —Valuation—	Company —Valuation—
Reproduction costs (new):		
Railway & bus property	14.5	13.8
Nontransit property ...	.4	.4
	14.9	14.2
Cost, less depreciation:		
Railway & bus property	6.3	6.7
Nontransit property ...	.3	.3
	6.6	7.0

Despite these higher valuations, company directors are stated to have agreed to sell the property for $6 millions plus additions. There is stated to be a difference of $67,000 in the assets included in the two valuations in that the city figure included a parcel of land in Gloucester Township valued at that amount.

Basis of the sale is to be "all the property assets and rights which the company owned or to which it was entitled on Nov. 1, 1947, other than nontransit operating property referred to in property accounts No. 14001 and 14002, plus capital additions since that date made between midnight Nov. 1, 1947, and midnight Aug. 12, 1948."

TEEGANA MINES was incorporated under Ontario laws last December to consolidate five groups of claims in Ontario. The properties are: 18 claims in O'Sullivan Lake area; 20 claims in Teefy twp.; 18 claims in Knox twp., 15 claims in Natal twp. and 19 claims in Lightning River area.

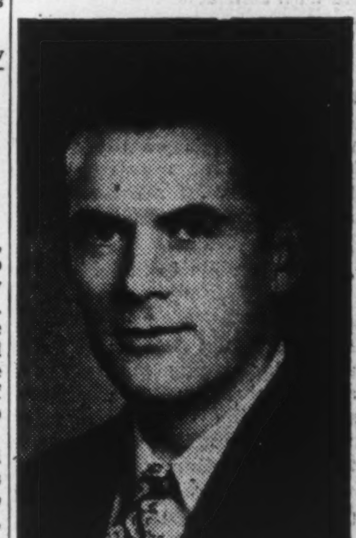
Man. Power Comm. Power Use Up 29%

The Manitoba Power Commission purchased and generated 12,005,474 kwh during December, bringing the 1947 total to 116,333,972 kwh, an increase of 29.5% over 1946, general manager W. D. Fallis reports. Meter installations at Dec. 31 totalled 39,391 (32,207 a year before).

Early in the month all pole setting and anchoring required for the 1947 farm program was completed. Another four areas, having a total of 425 farms and located in the Rural Municipalities of Macdonald, Tache, Woodworth and Daly, were energized. Wire stringing and erection of transformers is continuing during the winter.

Capacity of substations at Strathclair, Rivers, Jordan and Nesbitt was increased. Voltage regulators were installed in the Elkhorn line and improvements to distribution systems were made at Dauphin, Oak Lake, Hamiota and Shole Lake. Pole setting and anchoring was completed for the new Deloraine-Melita line which will provide an alternate means of supply to Deloraine, Melita, Pierson, Lyleton, Napinka, Pipestone, Reston and Virden.

Effective Dec. 1, the domestic minimum bill was reduced for 73 communities in accordance with the Commisson's policy of making annual reductions until the standard domestic minimum is reached, Mr. Fallis states.



JACK C. COOPER

Mr. S. L. Capell, Vice-President and General Manager, Philco Corporation of Canada, Limited, has announced the appointment of Jack C. Cooper as Sales Manager, succeeding the late George Bain.

Mr. Cooper has a background of more than eighteen years in the field of electrical appliance selling and merchandising. Recently he held the position of Sales Promotion Manager and Sales Manager of the Refrigerator Freezer Division of Philco in Canada. *

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DEBENTURES

Dated Dec. 1, 1947

$600,000 2¾% Serial Debentures, due Dec. 1, 1948-1955
$1,400,000 4% Sinking Fund Debentures, due Dec. 1, 1962

Trustee: Montreal Trust Company

The Serial Debentures having been sold privately, we offer as principals the Sinking Fund Debentures for public subscription at the undernoted price.

Price: 99½ and accrued interest to yield about 4.05%

In the opinion of Counsel these Debentures are investments in which The Canadian and British Insurance Companies Act (1932) as amended, states that companies registered under it may invest their funds.

A circular describing this issue will be furnished upon request.

Greenshields & Co Inc **Savard, Hodgson & Co. Inc.**

Steel flows on wheels, *too*

"GOING FULL BLAST!" ... *Canada's steel makers are forging ahead. In 1939 the output of our steel mills was just over 4 million tons, with a factory sales value of not quite 76 million dollars. By 1943 production had jumped to over 8½ million tons having a sales value of over 192 million dollars. And Canadian steel companies are driving their annual capacity steadily upwards by enlarging and improving their plants.*

CANADA'S MARCH to self-sufficiency is being led by her steady increase in steel production which has more than doubled since pre-war years. For everything . . . from plowshares to skyscrapers . . . pipelines to hypodermic needles . . . calls for special steels . . . and in vast quantity.

Truck transportation is adding new flexibility to steel delivery—from mill and warehouse direct to the job. And, as in the steel industry itself, a great deal of versatility is required to perform each specialized transportation service efficiently. It is another vitally important field in which White Super Power is the choice of the leaders, because correctly selected for the work they do, properly maintained, and skilfully manned, Super Power Whites assure distribution efficiency for many more years of service at lowest cost.

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The Editorial Page

Threat to Our Nationhood

Some very well informed Washington opinion is increasingly doubtful whether any worthwhile version of the Marshall plan for European recovery is likely to come soon. One report from a source very close to the administration thought the odds today are against about 80-20.

One factor is that the election preparations are so intense. Presently, the presidential race promises to be extremely close. The attention to politics is even greater than usual.

Another factor is the assertion, gaining increasing currency, that Europe has been exaggerating its needs; that conditions "really aren't bad"; that too much is being asked of Uncle Sam.

The implications for us of no prompt, effective action on the Marshall or ERP are serious. As a nation which depends so much on selling our raw materials abroad, Canada has a special stake in the early rehabilitation of Europe. As a nation short of U. S. dollars, Canada's dollar-saving program seems, to a substantial degree, to have been drafted on the assumption that something like the Marshall plan would go through, and promptly. Without it, Canada's dollar-saving program may have to be intensified; will probably be with us much longer than anticipated.

If the American isolationists win on this issue, Canada will be in a very difficult position. Europe's recovery will be long delayed, for one thing. For another, Canada's economic relationships with the United States will become crucial. Our people will naturally rebel against continued or increased "austerity" programs. We will want to live as handsomely as our neighbors. But that will not be so easy, may be impossible.

And here's the immense danger that will then arise.

In powerful Republican circles, the idea has taken root that the solution to fundamental North American problems lies in a customs union between the U. S. and Canada; that a trade fence be built around the two countries, and that the rest of the world be told to go its own way.

That's the new style isolationism. For some Canadians it may have superficial attractions in its promise to ease our economic problems, level up our national standard of living.

But, inevitably, it means that economic policy for both would be made at Washington.

Quite apart from the results which that would have for Canadian farmers, manufacturers and others, it is extremely doubtful if, under that circumstance, Canada could long remain a separate nation.

Organization Wins Elections

"No party, however good its principles, and however sound its policies, can hope in these days to win in a general election without the aid of an efficient organization. This our party does not possess at the present time."

So Prime Minister King told the National Liberal Federation at Ottawa last week.

That remark is not one which Canadians can shrug off as being merely the pep talk of a politician who wants his party to be re-elected. It is a piece of advice that might well be heeded by Conservatives as well.

Mr. King's advice is specially timely because of the work now being done by the CCF-CCL alliance now backed by the Communists.

These people really work at elections. They have their immense organization, their study groups, their constant propagandizing. They keep their people constantly inflamed with passion and zeal. Now that the Canadian Congress of Labor has swung its support behind the CCF, it is providing fulltime staff to further assist CCF organizing activities.

While past election results, Gallup Polls and every other indication show that the CCF has not been making headway, Canadians who don't want their totalitarian schemes will be very wise not to underestimate them, nor what the new alliance with the CCL and the Communists might be able to achieve, if the general public is allowed to remain in its normal state of political apathy.

Too Many Leaners on Ottawa

"Why should responsible groups of people, as well as institutions, seek to put the Government into other people's business while seeking with equal anxiety to keep it out of their own?"

G. Fay Davies, general manager of the National Life Assurance Co., asked that very proper question in his recent address to shareholders. He was commenting on two suggestions to Ottawa that the Government enter directly into the mortgage-lending business. One suggestion came from the Canadian Legion, the other from the Toronto Metropolitan Home Builders' Association.

Hardly a day passes that the news doesn't report some business group, which professes to be opposed to government controls and loud cheerers for the free enterprise slogan, calling upon Ottawa to do something. And the only way Ottawa can do anything is to spend some taxpayer money or undertake some new control by means of legislation or otherwise.

For instance, the Ontario Fruit and Vegetable Growers' Association last week voted "against increased production without government assurance of markets."

What is that supposed to mean? Does Ottawa pass a law that everyone 21 years and over must eat half a cabbage and three apples a day? Does it mean that the Canadian taxpayer is to pay a subsidy to maintain fruit and vegetable growers in the state of prosperity they would wish?

This preposterous "gimme" cry of the fruit and vegetable people is just a sample of what's happening all the time—and much of the time from people who profess opposition to totalitarian kinds of government. It is also clear evidence of how infectious the disease of regimentation is.

Again to quote Fay Davies:

"The great difficulty with any economic system which eventually leans on the Government is that we discover in due course that we can't have a nation that is made up of 100% leaners. At least half of any group of citizens must be pushers or the leaners will have nothing to lean against."

Rt. Hon. Arthur Meighen stated it well when he told an audience this week: Dependence on government assistance is "an epidemic, a spreading pestilence in every walk of life . . . Too much government makes little men."

Can't Fake Public Relations

One of the most encouraging things about man is that he scampishly evades the attempts of scientists to define him, analyze him, catalogue him, then finally file him away. No sooner does one theorist squeeze him into a tight little formula than a dissenting colleague points to some facet of the "specimen" that has been left out. We need not give up the hope that, in the inexact field of human relations, their job will never be completed.

A fast-growing segment of business management goes by the name "Public Relations." There are experts in this field now. Somehow the value of these experts becomes more apparent when they cease talking mumbojumbo, and start talking common sense; when they stop observing men as something to be polled, and start looking at them as ordinary folks.

This is prompted by reading an address, "Public Relations—as we see it," by Charles S. Watson, PR director for Canadian Breweries, Limited.

Public Relations, he says in his down-to-earth way is not mysterious, complex, profound, or recondite. It is simply the job of having yourself and your company so well regarded that people will buy your merchandise or your services freely and with confidence.

"You men and all the men and women who are associated with you are doing some sort of public relations job . . . every time you dictate a letter, every time you meet a man, woman, or child, every time you utter a single word over the telephone. And each of those impressions is either positive or negative . . . favorable or unfavorable . . . for there is no middle-of-the-road in public relations. You do or you don't!"

Just that. Yes, it's impossible to "fake" good public relations.

Sour Comment on Car Styles

Under Canada's dollar saving program on automobiles, it appears that importing British and European cars is going to be relatively easy; in other words, that we will be encouraged to buy cars from over the Atlantic, as we are discouraged from buying over the border.

It will be interesting to see the result. A great many Canadians are making pretty sour remarks about the trend in North American car styles. Streets get more and more clogged with traffic, yet cars get longer and wider. The awful jams in traffic and in parking stations constantly takes a higher toll of scratched and bashed fenders, yet fenders and bodies constantly become more vulnerable and enormously more expensive to repair. Most urban cars at least, most of the time, travel at very modest speeds, yet car design pretends that most of the time we travel more than a mile a minute on wide-open speedways.

Customer preference is, of course, the fact that determines auto design. But, so far, because of the car shortage, the customer hasn't been able to make his opinion felt.

Will the people who are now making so many disparaging remarks about present American car design step up and buy the British cars which, for the most part, haven't gone in for Buck Rogers styling and race-track power plants? Auto men here don't think so. But we can't help wondering.

Tell Your Story Effectively

Public relations and employee relations are two of management's most important problems today. But how many companies make full use of the medium of their own annual reports and financial statements.

The importance of annual reports in properly explaining our free enterprise democratic system was stressed by J. Gerald Godsoe, executive vice-president of the British American Oil Co., speaking to the Hamilton Junior Chamber of Commerce. Pointing out that through annual reports "there exists a glorious opportunity for doing a first-rate job that unfortunately very few are doing at the present time," Mr. Godsoe declared:

"For my part a company's annual report and financial statement is probably the most effective single tool we have for correcting some of the public's misconceptions regarding business.

"There is no doubt about it that today there is a disturbing lack of confidence, if not something approaching skepticism and downright disbelief, in the way in which financial statements are received. The misunderstandings of company operations are widespread and are not confined to any special group but are held by workers as well as by stockholders and the public at large.

"In recent years there has been a growing consciousness on the part of the public of the importance business and economic problems have on their daily life. This being so, not alone the employee and the shareholder, but the general public as well are seeking facts. Broad generalities will not suffice. Nor will the technical jargon of accountants or financial authorities, however expertly presented. To know the facts the public must understand them. Much of the failure of the public to interpret information furnished them by companies today arises out of the fact that from the very beginning most people don't understand what we are saying. . . . .

"We must devise means of presenting annual reports and financial statements in a way that can be understood and absorbed by the ordinary intelligent man in the street. We must realize that they should be set out so clearly and be so uncompromising in their accuracy as to be incapable of distortion and misrepresentation.

Company executives reporting to shareholders this year have both an unusual responsibility and an unusual opportunity. Not only are investors (the owners of the businesses) studying the reports more closely in view of uncertainties regarding the business outlook, but employees and the public generally are also giving them increasing attention.

Management should make sure that annual reports represent adequate financial and statistical data in clearly understandable form and should go beyond the mere presentation of facts to comment on their significance. Economic trends affecting the business and the management's apraisal of the outlook for the coming year are data desired both by shareholders and employees. This would be to the benefit of all concerned.

Napier Moore's

Scratch Pad

Seldom do we visit the United States without running into an unexpected link with Canada.

Recently we asked Walter T. Rosen—who, apart from being a prominent New York banker, is a fine musician and an art connoisseur—how he got his start.

He said that he began as a lawyer; that his first big chance came when he was retained to investigate the authenticity of certain "old masters" sold to the famous Widener Collection. Convinced that the suspected paintings were fakes, he took the case to court. What he needed was an outstanding expert witness, and the witness he wanted was Sir William Van Horne, then president of the CPR. Rosen went to see Van Horne in Montreal, won his interest; Sir William testified in New York and was so impressive a witness that Rosen proved his case.

We had forgotten that Van Horne, the mighty railroad man who came up the hard way, was a first-rate painter himself. Rosen said he got to know him very well; that often, after a busy day, the CPR's head would paint from midnight to 3 a.m., furiously smoking cigars and sipping champagne.

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BOOK REVIEW: Thirty years ago we sniggered at the joke (it's still in circulation) about the actor who, in a state of mellowness, was discovered poring over a telephone directory. Asked how he liked it, he replied, "It's a stupendous cast, but the plot's lousy." New Spring Bell Telephone books are now on the press, and the casts are larger than ever. There will be 275,000 names in the Toronto directory; 243,000 in the Montreal edition. All Bell's Canadian directories are printed by the Ronalds Company in Montreal. The two million copies consume 3,000 tons of paper. And 20 proofreaders spend all their time, year round, checking and rechecking names and numbers.

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In our editorial travels through Canada we always have found bank managers a source of reliable information about their community and neighboring countryside. They are in touch with all classes of people, with all kinds of businesses, with tradesmen and farmers. A broad knowledge of Canada is an added asset. Well aware of this, the Bank of Toronto makes a point of bringing, in rotation, to its annual meetings and attendant functions, managers from its branches in other parts of the Dominion.

Last week 34 branch managers from the western provinces and Quebec were in Toronto. Twelve of them were from small places—Cowichan Lake, V.I.; Colonfay, Sask., Gaspe, Que., and so on. For some it was their first visit to the East. As the bank's guests (wives are invited too) they stayed a week, not only attending meetings but getting the feel of business and general conditions in Central Canada. We suppose other banks follow the same practice, as do many large industrial firms. And an excellent job of bridge building it is.

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Right on the heels of this column's report of the Shanghai plant manager who was paid only $6 millions a week came Thomas H. Beck to tell Toronto's Empire Club of his experiences in China. Mr. Beck, who is chairman of Crowell-Collier, exhibited a wad of Chinese $1,000 bills. In Shanghai he had bought $1 million for 30 ordinary U. S. bucks. The same day he went into a drugstore to buy an eyewash. He got a two-ounce bottle of a well-known American preparation. The price was $65,000.

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Mr. Beck also told a vivid story of semistarvation in Europe and India. We couldn't help thinking of a piece we read in Canadian Hotel Review. It quoted Arthur J. Garinther, president of the Hotel Association of Canada, who said that according to a garbage survey made in 247 cities, 15% of edible food is wasted, and an average of 6% is left over on plates, and wasted, in public places.

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We attended a meeting of businessmen the other night and the proceedings were held up for 10 minutes while a group of a dozen or so, agog with excitement, listened to an insurance company manager tell how, that very morning, through field glasses, he had spotted a tartan-billed wafflepecker, or something, in his ravine. This moves us to report that at this very moment, on January 25, perched on the upper branches of a naked elm outside our house, and looking like a shareholders' meeting, are exactly 41 cedar waxwings—Bombycilla cedrorum to you. Acting as chairman is a robin. The robin, who didn't go South for the winter, has an air of smugness. Headlines of the newspaper whereon we laid his morning crumbs report heavy snowstorms in Florida.

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Businesses which support the Health League of Canada may be interested in our own personal testimony to the effectiveness of that organization's propaganda campaigns. Kissing our four-and-a-half-year-old granddaughter adieu, she turned her head slightly. We missed her cheek; brushed her lips. Whereupon she said frostily, "Please don't give me your germs."

Stop Me If—

A much-married Hollywood actor was confronted by a gay damsel.

"Hello, there," she greeted him, "don't you remember me? Ten years ago you asked me to marry you!"

"Really," yawned the actor, "and did you?"

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Joe: "You know, politicians aren't so simple."

Bill: "Why not?"

Joe: "You try standing on a fence and keeping both ears to the ground."

—*Cartoon by Grassick.*

Post Scripts

Another Scot

Tall, dark-haired, slightly greying, James Stewart, recently appointed general manager of the Canadian Bank of Commerce, was born at Perth, Scotland. Educated in the schools of his native city he came to Canada in 1914, and has never regretted the move.

MR. STEWART

An older brother of Stewart's was already in Canada and feeling that the Dominion offered a good opportunity, he urged young brother Jim to join him.

With typical Scottish caution, both felt it would be wise for him to have a job assured before he came.

The Canadian chartered banks at that time, were bringing out considerable numbers of young men from the United Kingdom for their clerical staffs, and so with his brother's co-operation Stewart obtained a position with the Canadian Bank of Commerce before he left Scotland.

He was first posted to the Canadian Bank of Commerce branch at Sherbrooke, Quebec, and later served at various places in that province including Quebec City. From there he went to New York, then to Toronto, and in 1923 to Hamilton to help coordinate the business of the Bank of Hamilton with that of the Commerce which had absorbed it. From there he went to Halifax and was then brought back to the head office at Toronto as an assistant inspector. His next move was to Mexico City as assistant manager in 1927, becoming manager four years later.

After three years as manager of the Mexico City branch he was again brought back to head office and in 1937 became assistant general manager.

During the war (from 1941-43) he was appointed Administrator of Services in the Wartime Prices and Trade Board. For his work there, he was awarded the decoration, Commander of the British Empire.

Quiet spoken, seriously minded, with a strong sense of responsibility, friendly, Stewart is also an enthusiastic curler and golfer, as a golfer being classed "really good."

Still a loyal Scot (currently president of the St. Andrew's Society of Toronto, and a Presbyterian) he is an enthusiastic Canadian. As a banker he has had broad general experience in all branches of his profession, possibly specializing more in the fields of credit and loans than other branches.

He is in his early fifties and a bachelor.

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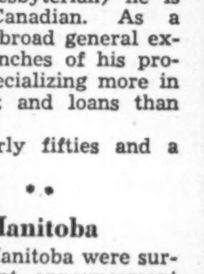
Leaving Manitoba

Many people in Manitoba were surprised at the recent announcement that Dr. Albert Trueman, head of the University of Manitoba was going to the University of New Brunswick in a similar capacity. He will succeed Hon. Milton Greig, Minister of Fisheries who left UNB some time ago to go into politics.



DR. TRUEMAN

To a small group who knew President Trueman was not satisfied with things in Manitoba, news of his leaving it was not a surprise. The official statement from the Board of Governors gave no information on the reason Dr. Trueman was quitting. A press statement from Dr. Trueman himself said, "I am leaving Manitoba because I have been asked to assume the presidency of the University of New Brunswick."

With convocation next May, Trueman will have completed three years as president of Manitoba. In that time he has become known in the West as a top-grade educationist, an eloquent and forceful public speaker, and a leader in cultural activities of the province.

Twice in the year he was appointed, Western Canada went to New Brunswick for an educational leader. The former president of the University of New Brunswick, Dr. Norman A. M. Mackenzie, went to Vancouver as president of the University of British Columbia. Dr. Trueman himself came from a family of educationists as his father was president of Nova Scotia Agricultural College and his uncle had just retired as president of Mount Allison University before he came West.

Trueman is a graduate of Mount Allison and of Oxford. He was assistant professor of English at Mount Allison and from 1937 to 1942 headed the English faculty. He resigned to accept the position of superintendent of schools in Saint John. A few months before his Manitoba appointment he was appointed Maritime representative on the board of governors of the CBC. His appointment removed from the air one of Eastern Canada's best known radio voices. A rule of the CBC prevented him from continuing his radio talks through which he had become widely known as a brilliant speaker and an interesting book critic.

In his earlier days he nearly took up music as a profession. Gifted with a fine baritone voice and an accomplished player of the piano and violin, he carried off top honors in musical festivals in Nova Scotia and New Brunswick. He took voice training in New York and Chicago and was urged by his instructors to take up a singing career. His voice has been heard in joint recital over the CBC with the Canadian pianist Eldon Rathburn.

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Railway Family

G. Allan MacNamara is the new vice-president of the Canadian Pacific Railway in charge of traffic. It is his responsibility to develop business for this vast transportation system, to get payloads for the 78,000 railway cars and 40 steamships of the company.

MR. MACNAMARA

To carry out work, and to help with the transportation problems of clients and potential customers offices are maintained in all principal cities of Canada and the United States, in Great Britain, Europe, Australasia, and the Orient, reporting to company headquarters in Montreal.

MacNamara brings to his position 35 years of railroading experience, broken by active service overseas from 1915 to 1919 with the Canadian Army, in which he enlisted in the First Division in his native Winnipeg. Immediately prior to coming to Montreal he was, from 1944, general traffic manager of the Minneapolis, St. Paul and Sault Ste Marie Railway in Minneapolis. He has been with the C.P.R., or on joint C.P.—Soo Line service, since 1920.

Educated in the public and high schools of Winnipeg and Vancouver, MacNamara worked first for the old Canadian Northern, from 1912 until his enlistment and for a short time after demobilization. He joined the C.P.R. in 1920 with the freight tariff bureau in Winnipeg.

At Detroit, Boston and Chicago he was general freight agent and became particularly familiar with gateway traffic. His reorganization of the Soo Line's traffic department—the road itself had just come through reorganization—is regarded by traffic men as his most important job of work before taking charge of Canadian Pacific traffic.

What Others Are Saying

Editorial of the Week

Good, Mr. Towers, But Not Enough

The Vancouver Province

Mr. Graham Towers, governor of the Bank of Canada, has been making an appeal to the junior boards of trade of the country to drum up the tourist industry. The tourist industry is important to Canada because it brings us American dollars. We sell our scenery over and over again and keep it and sell it next year.

The junior boards of trade can, no doubt, do something to bring tourists. Every Canadian can do something. But bringing tourists is not the only thing. The tourist must go home satisfied or he will be but a poor advertisement for Canada's attractions. And there are things in Canada likely to leave tourists unsatisfied.

One of these things is the lack of accommodation. With our housing problem what it is, we have filled up our hotels and even our auto-camp cabins with our own people and have comparatively little room for transients. Our restaurants are also crowded. A tourist must have a clean and comfortable place to sleep and be able to get his meals in comfort or he will not be satisfied. Perhaps the junior boards of trade can do something about the problem.

Other People's Views

THERE IS NO MAGIC way of rolling back prices so long as costs are rising, points out the **Montreal Gazette.** "The problem of high prices is not hopeless. But the hope must be rightly placed. The plain truth is that prices cannot be controlled so long as costs are rising, with wage boosts constituting the greatest of cost increases. Sir Arthur Salter, in presenting the problem, suggests the solution also. It is for all organized groups demanding wage boosts to postpone their demands until production has caught up with purchasing power."

HOW DO WE KNOW we can't compete with New Zealand in dairying, asks the **Farmer's Advocate** of London, Ont. "This alleged inability to compete in butter production with New Zealand has become bogey number one with Canadian dairymen. It would be better for the morale of producers in Canada and for the dairy industry as a whole if we accepted the challenge and employed to the fullest possible extent the natural advantages with which we are blest. This effort, combined with a high degree of efficiency in production, processing and marketing, would put Canada in the forefront of all the dairy producing countries in the world."

WE'RE BORED WITH YOU, MR. MANNING, says the **Calgary Herald,** referring to a speech of the Alberta Premier in which he said, "the free enterprise system must demonstrate that it can produce better conditions than are possible under a state-controlled society." Says the Herald: "Why should the free enterprise system break its neck trying to prove what has already been proven? It has been blatantly obvious for a good many years that people enjoy higher material standards of living under free enterprise than under state control. . . . People who won't believe this won't believe anything and there is little point in trying to convince them. The countries which rely on free enterprise are buoying up those which rely on state control."

END EMBARGO ON FOOD TO U. S. says the **Winnipeg Free Press.** "By refusing to allow the farmer to sell his produce in the U. S., the Government places a definite ceiling on the farmer's wages, while no such ceiling is applied to any other wage earner. And this is done for one purpose only—to maintain a divergence between the Canadian and American price level which Mr. King considers impractical and potentially dangerous . . . By exporting our farm products now we could begin to dig our way out (of dollar crisis). Certainly we could afford to abolish restrictions on U. S. vegetables, fruits and other prime dietary essentials and reduce the present price of such products."

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Jan. 31, 1948

The Provincial Roundup

British Columbia

Red Kiss of Death: First public manifestation of the Communist party's decision to support the CCF (The Financial Post, Jan. 24) came in the Saanich by-election campaign (polling day Feb. 23, to choose a successor to Hon. Norman Whitaker, elevated to the bench). With seven candidates in the field, Bruce Mickleburgh, Labor Progressive nominee withdrew, and called on his party to back Colin Cameron, CCF. The latter party said it didn't welcome any such kiss of death. "We have nothing to do with the LPP," insisted provincial leader Harold Winch. "Any decision they make is entirely their own affair."

Arthur J. R. Ash, former Ottawa alderman, and now a Saanich merchant, is the Coalition candidate; Major A. H. Jukes, provincial Social Credit leader, is in the field for his party; W. R. Smith of Vancouver unanimously nominated himself on behalf of his one-man Democratic party; Thos. M. Nixon's hat was in the ring as an independent Farm Laborite; and an independent non-party coalition nominee was also on the horizon. A second by-election was scheduled for the same day in Cariboo, to name a successor to the late Louis Lebourdais.

Provincial Sales Tax?: Meanwhile, rumors of a provincial sales tax (probably 2% on almost all commodities except essential foods) multiplied, in the wake of forecasts of a $65 million budget. Most adjoining American states have such a levy, and two more voted for it last year, it was pointed out. Attorney-General Gordon Wismer had given such a proposal his personal blessing two years ago, but a Cabinet majority vetoed the suggestion at that time.

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Alberta

Social Credit Split?: Rumors of friction between "Douglasites" and antis, within the ranks of Social Credit, multiplied this week, heightening hopes of opposition groups for victory in the next provincial election. Education Minister R. Earlfe Ansley has publicly proclaimed himself a supporter of the theories of Major C. H. Douglas, English founder of Social Credit, but has repudiated the views of "extremists" (notably Norman Jacques, MP of Wetaskiwin). Reports said at least five present Social Credit MPP's (N. B. James, Edmonton; W. E. Cain, Bow River-Empress; J. M. Popil, Redwater; E. O. Duke, Pincher Creek-Crow's Nest; J. L. McPherson, Bruce) would not run in the next election.

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Saskatchewan

Courts Find Champions: Both Liberal Leader Walter Tucker, and the Law Society of Saskatchewan, took sharp issue with Premier T. C. Douglas' criticism of the Canadian judiciary (The Financial Post, Jan. 24). "He has subtly maligned our courts," said Tucker. "If we're going to have courts interpreting laws the way the Government in power wants it done, we've lost the last bulwark of protection for the average citizen, against the Government. It is for Parliament to make and change laws; it is for the courts to administer them according to a fair interpretation, regardless of the will of the Government of the day."

"A slur on the integrity of the courts," the Law Society declared. "Any attack on the integrity of the courts by any one occupying high office cannot have any influence on the courts in discharging their duties in a fearless and impartial manner; can only tend to lower the dignity of such high office and undermine public confidence in the administration of justice. If that confidence is undermined, chaos results."

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Manitoba

CKY Sold to CBC: The province had played its cards close to its chest, in the radio poker game, and scooped in a $50,000 kitty, as a result. Last April, the Canadian Broadcasting Corporation made a bid to purchase station CKY, Winnipeg; price offered remained secret at that time, but has been disclosed as $150,000. But the Garson Government sat tight, called for sealed tenders, with the CBC's bid reserved as an ace in the hole. Last week, the result was announced; CKY went to CBC for a second bid of $200,000. The province will continue to operate the station until CBC is prepared to take over in its new 50-kilowatt station at Carman, probably six months hence.

Simultaneously, the province sold its Brandon station, CKX, for $65,000, to Western Manitoba Broadcasters Ltd., whose promoters have applied for a Dominion charter. They included: John Boyd Craig, Brandon auto dealer; Dr. H. O. McDiarmid, N. Whitby Kerr, K.C., Alexander E. Boyd, chartered accountant; Edward Fotheringham, manufacturer; Harold B. Smith, druggist; and L. J. Rust, merchant, president of the Brandon Board of Trade.

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Ontario

25 Million Population?: Premier George A. Drew foresaw a province with a population sixfold that of today; predicted that "sound industrial development" would see an Ontario of 25 million persons, in the not-too-remote future. Speaking in North Bay, gateway to the province's northland, the premier pledged his government to a policy of timber conservation which would ensure that forest resources were kept at a maximum level "so that 40, 50 and 100 years from now there will still be forest cuts available."

Tax Race Bets?: Toronto city council debated, this week, asking the province for authority to levy a tax (maximum 5%) on wagers at race tracks within the city limits. "We must find some new source of revenue; people who attend race tracks can afford to pay this," said Mayor Robert Hood Saunders. "They don't get rich out there; they lose all their money there," countered Controller David Balfour. "Such a tax would put us out of business," declared Palmer Wright, secretary of the Ontario Jockey Club, which operates Woodbine track. Others argued the tax would discriminate against Woodbine and Dufferin tracks, within the city limits, and in favor of Thorncliffe and Long Branch in suburban areas (Dufferin and Long Branch are jointly owned). In 1946, $4,892,263 was wagered at Woodbine, $4,157,378 at Dufferin; 5% of which would have netted the city $452,482.

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Quebec

New Provincial Flag: The ancient French Fleur de lis flew above the province's legislative buildings this week, in place of the Union Jack; the design, a white cross on a blue background, with a white lily in each of the four quarters. Quebec thus became the second Canadian province with a distinctive flag (Nova Scotia having retained own emblem since pre-Confederation days).

Before the House this week, was a bill to encourage housing, by permitting municipalities to sell lots to citizens for $1, and to grant them 50% tax concessions for a 25-year period. Liberal Leon Casgrain, former Attorney-General, accused the Government of passing the buck to municipalities, already heavily burdened; contended the tax relief should stem from the province.

$2 Million Plan for Hull: Hull ratepayers were voting this week (Jan. 29 and 30) on a $2 million civic improvement program already endorsed by City Council and City Manager J. P. Carriere. The schedule included: $1,116,500 for sewers; $154,500 for waterworks; $322,000 for paving; $129,000 for sidewalks; $150,500 for municipal garage and equipment; $60,000 for repairs to the fire alarm system; $40,000 for a new fire station at Wrightville. Mayor Raymond Brunet voiced confidence the program could be carried out without increasing the tax rate.

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Nova Scotia

Ease Tax Load: There was half a million dollars' worth of good news for municipalities of the province, in a broadcast by Municipal Affairs Minister F. R. Davis: "It has long been recognized that the division of functions and financial resources between provincial and municipal governments, needs re-examining." Implementing the new tax agreement with the Dominion, Davis promised:

1. Grants to municipalities, equal to 150% of the highest income tax they had previously levied.

2. The province to assume full responsibility for care of the mentally ill, relieving both municipalities and private patients of all charges for such patients.

3. Discontinuance of the highways tax previously levied on municipalities.

Davis estimated the new setup would lift a $516,872 yearly burden from the municipalities; would mean a net gain to Halifax and Sydney alone, of $177,328.

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New Brunswick

Ease Education Burden?: Nova Scotia's concessions to municipalities had repercussions here. Saint John, Fredericton and Moncton planned to press the province for more liberal education grants; both the province and the Dominion, for funds in lieu of taxes on government-owned property. In Moncton alone, said Mayor J. Edward Murphy, education costs now run around $450,000 a year, almost half the city's total budget. The province at present is paying 50% of education costs in rural communities, only about 9% in the three cities, he pointed out: "Real estate is the only thing left to bear the municipal taxation load; if the rate goes too high, citizens are going to find the cities uneconomical places in which to live, and the cities will become decadent."

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P. E. Island

Milk Prices Pegged: An agreement reached between producers and the Provincial Milk Board, exorcised the spectre of higher milk prices in Charlottetown, for at least eight months; guaranteed a continuance of prevailing rates until next September. That period, it was felt, should bring clarification of the feed grain price situation; should see a decision on the railways' current application for higher freight rates, and on a continuance of the Federal Government's freight assistance policy.

Trap Mink in Capital?: Prices paid at recent fur sales promised to bring a boom in mink-trapping on the Island. Wild mink pelts brought up to $70, considerably higher than those of ranch mink. because of their popular reddish tinge. One trapper said there were plenty of wild mink within Charlottetown city limits; declared one city wharf was "swarming with them."

BUSINESS THIS WEEK

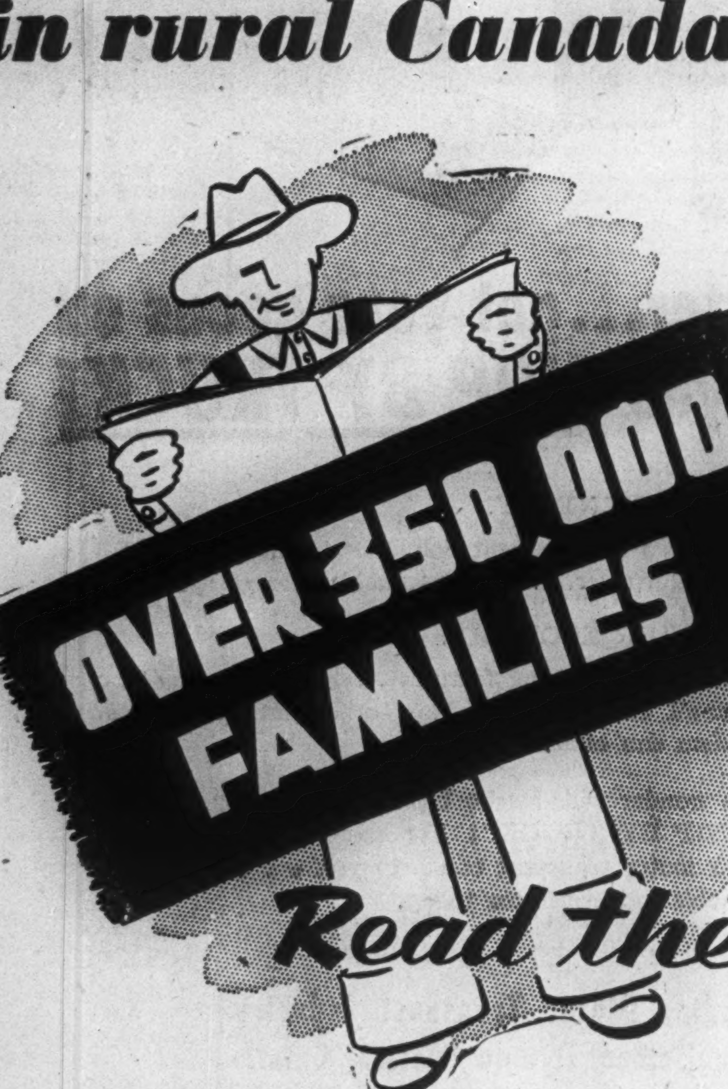
	JAN.	DEC.	NOV.	OCT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	233.7	214.9	229.6	264.2
Dom. total expend.	....	160.4	183.7	170.5	179.4
MERCHANDISING					
aDept. store sales index no. (1)	....	397.8	348.2	286.4	325.7
Retail sales index (no.)	....	....	274.5	254.1	245.8
aWholesale sales index (no.)	....	....	297.1	325.5	257.2
FINANCE					
aDividend payment index (5)	188.7	183.1	175.8	174.4	155.2
Bank debits	....	....	....	240.1	210.3
Money supply (millions $)	....	....	....	7,619	7,416
NEWSPRINT CAPACITY					
aProduction ratio	....	100.8	103.6	104.3	98.8
aShipment ratio	....	101.1	111.7	102.5	103.6
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	199.1	148.5	150.4	188.2
Cars (D.B.S.)	....	169.2	153.1	146.9	155.3
COST OF LIVING					
D.B.S.	....	146.0	143.6	142.2	127.1
EMPLOYMENT INDEX					
All industries	....	....	197.4	194.8	182.7
Manufacturing	....	....	205.0	103.6	192.8
Payrolls (June 1/41=100) (2)	....	....	188.5	184.5	154.6

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
aCarloadings (week Jan. 17)	76.3	71.9	204.1	193.6	+5.3
C.N.R. net rev. (Nov.)	4,924	5,661	37,325	40,346	−7.5
C.N.R. gross rev. (Nov.)	37,493	37,128	399,699	364,775	+9.6
C.P.R. gross rev. (Nov.)	27,235	26,264	289,981	267,548	+8.4
C.P.R. net rev. (Nov.)	3,155	3,746	18,969	17,723	+7.0
IRON AND STEEL (000's omitted) (Nov.)					
Pig iron production (tons)	174.1	135.3	1,804.3	1,242.3	+45.2
Steel production (tons)	255.4	222.6	2,695.4	2,097.3	+28.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Nov.)	59.8	48.1	683,035	663,355	+2.9
Cement prod., bbls. (Oct.)	1,239	1,041	10,014	8,980	+11.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Nov.)	2,159	2,519	26,413	25,027	+5.5
Flour exp., bbls. (Nov.)	1,197	1,277	16,990	14,171	+19.9
aWheat exp., bush. (Nov.)	17,373	16,852	144,621	143,289	+0.9
Cattle sales (Dec.) (4)	199.9	172.1	1,581.5	1,889.1	−16.3
Hog sales (Dec.) (4)	613.5	404.5	4,756.0	4,460.7	+6.6
SEA FISHERIES (000,000's omitted)					
aCatch, lb. (Dec.)	55.1	79.4	1,093.7	1,216.0	−10.0
aLanded value (Dec.) $	2.4	1.9	46.0	55.6	−17.3
NEWSPRINT (000's omitted)					
aProduction (Dec.)	369	342	4,447	4,143	+7.3
aExports, tons (Dec.)	370	340	4,490	4,136	+8.6
MINING AND OILS (000's omitted)					
aCoal prod. (tons) (Dec.)	1,761	1,574	15,839	17,812	−11.0
aGold prod. (fine oz.) (Nov.)	252	231	2,795	2,603	+7.4
Petroleum prod. (brl.) (Oct.)	724	639	6,241	6,393	−2.4
ELECTRICAL POWER OUTPUT (000,000's omitted) (Nov.)					
Total monthly kw.h.	3,614	2,567	41,322	37,932	+8.9
FOREIGN TRADE (millions of $)					
Imports (Nov.)	229.1	198.2	2,379.8	1,745.4	−15.9
aExports (Dec.)	266.2	211.9	2,774.9	2,312.2	+20.0
FINANCE (millions of $)					
Bank debits (Nov.)	6,774	6,211	67,687	63,312	+6.9
Bond sales (Dec.)	206.3	224.6	4,446.8	5,692.1	−21.9
Life insurance sales (Oct.)	102.7	105.7	907 5	887.0	+2.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
aShoe prod. (Nov.)	2,737	3,566	33,026	40,111	−17.7
aCigarette cons. (no.) (Dec.)	1,327	1,221	14,141	14,866	−4.9

(1) Base period 1935-39=100.
(2) All industries.
aNew items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

FAMILY HERALD AND WEEKLY STAR • FAMILY HERALD AND WEEKLY STAR • FAMILY HERALD AND WEEKLY STAR • FAMILY HERALD AND WEEKLY STAR • FAMILY HERALD AND WEEKLY STAR • FAMILY HERALD AND

in rural Canada...



Read the

Family Herald and Weekly Star

CANADA'S NATIONAL FARM MAGAZINE

"Aimed at the Heart of the Farm Home"

Here's Why Gov't Ordered Fertilizer Price Rollback

OTTAWA (Staff) — Though strategy and organization are not yet complete, it may be taken for granted that the government has every intention of using its proposed Parliamentary Prices Committee as a means of hitting hard at alleged "profiteering."

Quite likely a Cabinet minister will be chosen to chair the committee with Defence Minister Claxton as probable choice.

There is no immediate urgency in making this choice, because of the fact that Parliament will no doubt want to wrangle a long time over the the motion to set up this committee. However, Prime Minister King has indicated that Parliament will be permitted to discuss this question even while the committee is sitting.

The Price of Fertilizers

As matters look now, the Government is expected to focus much of its fire on fertilizer prices.

As reported in last week's Post, the Government has already required the North American Cyanamid Co. to roll back the price of fertilizer at its Welland plant by something better than $11 a ton. This was done for two reasons: 1. because farmers in all parts of Canada are complaining about the high cost of this item; 2. because most of the ammonium nitrate which is the base ingredient of nitrogen fertilizer comes from three wartime plants built at government expense and now operated by private enterprise.

According to a return tabled in Parliament on March 10, 1947, the average cost of production of ammonium nitrate during 1940-45 when this product was being produced in government-owned plants was as follows:

1. Alberta Nitrogen Products, Calgary—$19 per ton.

2. Consolidated Mining & Smelting Co., Trail—$29 per ton.

3. Welland Chemical Works, Welland—$39 per ton.

This same parliamentary return disclosed that since these plants were sold by the Government, no authority remained vested in the Government to control prices except the residual powers of the WPTB. It is these residual powers which were exercised two weeks ago when North American Cyanamid (which bought the Welland plant for $4¼ millions) was required to roll back its domestic prices. Under these WPTB regulations, it is illegal "to sell, offer for sale or supply any goods or services at prices higher than are reasonable or just, or withhold any goods or services from sale or supply for a price that is higher than reasonable or just."

The Rise in Price

Domestic price of fertilizer as sold from the Welland plant of North American Cyanamid, is the only item which has so far been made subject to rollback under the WPTB regulatory authority. Sale prices at this plant during the war were quoted on a "delivered" basis. That meant that all purchasers in the five eastern provinces paid the same price irrespective of how near or far they were from Welland.

The wartime price of ammonium nitrate delivered to manufacturers in Eastern Canada was $53.50. This was an "averaged" price based on a pooling of costs in the three government-owned plants. Since the Welland plant was the highest cost producer, the price was exceptionally low for eastern users.

After North American purchased the plant from the Government it is alleged that the price (fob Welland) rose to $64.75. This year it rose again to $70.25 (fob Welland). It is this latter price which has now been rolled back to $64.80 delivered, or about $59 fob Welland.

Actually it is claimed that three quarters of the production at Welland is sold on the export market, and at very considerably higher prices. This is stated to have been disclosed recently when an American Government agency placed an order for 1,000 tons of nitrogen fertilizer for overseas relief purposes.

This order required some 33,000 tons of ammonium nitrate and when received, it was agreed that it should be split equally between the West and the East.

But the price quoted for ammonium nitrate for export from the Welland plant is said to have been about $95 a ton. The price quoted in the West was about $57.50 a ton. Even allowing for a considerable freight differential, the western company got the business. But not before some furore had been caused at Washington over the high price quotation from the eastern Canadian plant.

The Perplexing Prospects of 1948

A preview of business prospects in 1948 is obscured by several uncertainties which are discussed in our current investment letter. This letter also presents a diversified list of government and corporation securities which we recommend for investment consideration.

A copy of this letter is available upon request.

A. E. Ames & Co.
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STEELOY MINING CORP. Jan. 3 installment of 50,000 shares at 12½ cents has not been exercised. Under terms of the agreement optionee has 15 days to cure default otherwise agreement will terminate.

ANOTHER MESSAGE TO...

THE SHAREHOLDERS OF

BROWN COMPANY

We have received a letter from the directors of our company giving their picture of the recent history and the outlook for the future of Brown. On the strength of it, the preferred stock dropped fifteen points, and the common stock proportionately.

Let us not be misled by gloomy predictions. What of the earnings from the new plants coming into production now at Berlin, and the benefits from the further amounts used for rehabilitation and improvements? Was this money spent to no purpose? Even during the war years our company earned its preferred dividend every year, before these large amounts were spent, and during a time when the company "experienced the squeezing effect of manufacturing costs rising against selling prices established by Government agency." (1945 annual report).

This letter states: "Net proceeds of the sale of the Bersimis property, $2,905,011 . . . are needed for the continued rehabilitation of the Canadian plant". Nevertheless, our management refused an offer of $20,000,000. for the Canadian plant in 1946, as being far below the value of the assets there. If future earnings from this plant are not going to be substantial, why was it not sold?

We have placed the power to elect the directors of our company in the hands of three Voting Trustees. We, the shareholders, have little control over the management of our company. But if the directors present us with an unfair plan of recapitalization we can refuse to accept it. Let's stand together.

IT IS TIME for inauguration of dividends on the preferred stock, to give some return to shareholders who have been waiting many years, and to prevent the arrears (now $48) piling up any further.

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DETERMINED SHAREHOLDERS

Interested parties may write The Financial Post, Box No. 105, but are respectfully requested not to expect a personal reply at this time.

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2. TRUSTEE INVESTMENTS (Booklet).
3. QUARTERLY CANADIAN REVIEW.
4. CANADIAN GOVERNMENT LOANS HANDBOOK FOR INVESTORS AND DEALERS IN CANADIAN BONDS.
5. SECURITY RECORD BOOKLET.
6. ANALYSIS OF SECURITY HOLDINGS.
7. STATISTICAL DEPARTMENT.

Investors are invited to avail themselves of any of our services, and to call upon us for recommendations regarding the purchase or sale of securities.

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We take pleasure in announcing that

J. B. GOAD
and
W. J. CHILD

have been admitted to partnership in this firm

J. L. GOAD & CO.

MEMBERS TORONTO STOCK EXCHANGE
DOMINION BANK BUILDING EL. 3481
TORONTO, 1, CANADA

CANADIAN CONVERTERS CO. has redeemed $200,000 more of its funded debt since annual report for year ended April 30, 1947. There are now outstanding $300,000 of first mortgage bonds out of an original issue of $600,000. Despite shortage of raw materials and difficulties of production being experienced, it is anticipated that results for the current fiscal year will compare favorably with those of the preceding period when $4.77 was earned on each of the 69,340 shares of $20 par class A stock.

FROM BEER BARRELS TO ELECTRIC LAMPS

Identify WITH BARNARD MARKING DEVICES

A brewery wished to date the bungs in their barrels. The lamp manufacturer's need was to identify his product to advertising-conscious buyers. A Barnard marking device, each vastly different from the other, solved the problems efficiently and at low cost. With our facilities and experience we can assist you in the proper and profitable identification of your material or product.

H. BARNARD STAMP & STENCIL CO. LTD.
8 GEORGE ST.
HAMILTON, CANADA

WHAT'S NEW IN BUSINESS

Oil Drilling Rig

Portable electric drilling rig for oil wells claims to cut $5,000 from cost of drilling a single well. Twelve-story 18-ton derrick can be telescoped to fit a truck and trailer, explains a major oil company.

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Truck Muffler

Device which claims to reduce the roar of Diesel and gas-engine trucks to that of a passenger car has been displayed by the Oregon Motor Transport Association. Reduction of smoke and odor, plus improved engine efficiency, are also said to result from use of this equipment, shaped like an oversized muffler and mounted vertically on the cab.

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Vibrating Grader

Vibrations at 2,000 impulses a minute are applied to the cutting edge of Pittsburgh-made grader. Machine claims to cut through hard materials without transmitting shock or movement to the road forms on which it rolls; automatically produces a grade that is true to crown and cross-section specifications. Levelling device is towed behind the grader.

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Casting Resin

Casting resin developed during the war is now available in United States for simplified work on small electrical assemblies. Poured over electrical parts, the resin sets and holds the pieces in a firm base, said to provide electrical insulation and to resist moisture.

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Figures Payment

"Amortizer" is a slide rule specially designed to solve amortized loan or installment purchase problems. Eighteen interest rates ranging from 2% to 7% are shown on the rule, amortization periods run to 25 years for all rates and to 40 years for 4%; scale showing the amount to be paid reads from $1,000 to $20,000. Made in Los Angeles.

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Filing Cabinets

New York firm is producing two new file cases, one for office and the other for home use. Office cabinet has sliding top and holds standard 4-in. by 6-in. index cards; has phenolic plastic sides and a steel or aluminum body; measures 8 in. wide, 10¼ in. deep, and 6½ in. high. Files for personal records has plastic or metal case, with carrying handle and lock; weighs five pounds and comes with index.

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Sales Idea

Cigarette manufacturer is bidding for interest of sportsmen by putting new brand on the Quebec and Maritimes market. Back of each package displays a color reproduction of a wet fly. In the first series, 24 of the most popular trout and salmon flies are pictured.

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Lumber Unloader

Unloading device, easily installed on any lumber truck, allows loads to be deposited exactly where they are wanted (even on carrier blocks, says Los Angeles maker) without costly breakage. Extra roller supporting the tail end of the load is part of a cranked arm pivoted under the rear end of the chassis; operates hydraulically and is fully automatic.

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"Robot Chemist"

Hydrocarbon analysis of synthetic rubber, gasoline, and other petroleum products can be accomplished in one tenth the time of ordinary methods by means of an analytical mass spectrometer which uses electronics to determine the chemical content of gases and vapors recording the result automatically. This U. S.-made instrument can detect traces of one gas so minute that they represent only one part of 100,000 parts of another gas.

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Midget Tester

New polyvolt tester is smaller than human hand, yet makes all voltage tests normally requiring three instruments; saves time and labor in locating shorts on electrical circuits, grounds, and blown fuses.

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Ceramic Technique

Wax emulsion speeds production of decorative semi-vitreous ceramics such as dinnerware, eliminating an entire firing process. U. S. maker says product affords greater manufacturing flexibility.

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Portable Ventilator

"Saf-T-Air," an electric ventilator made by New York firm, has a capacity of 425 cubic feet a minute, yet weighs only 50 lb. One man can carry it by handle placed over centre of gravity, and compact size allows it to pass through small hatchways and hard-to-get-at places. May be used either as blower or exhauster.

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Cools Drinking Water

"No drip" refrigerator water cooler, manufactured in Kansas and distributed by Toronto firm, consists of tubular aluminum shelf which takes little room when installed in refrigerator. Cooler is connected directly to water line. Nondrip water faucet at side of refrigerator provides refreshing drinking water to those troubled with warm, unpalatable drinking water during the summer months.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

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New Outboard

One-cylinder outboard motor, developing 2.5 h.p. and weighing 30 lb. claims steady fuel flow never seen before on a two-cycle motor, as a result of mechanically-controlled poppet valves. Other claims: 360 degree steering, full swivel permits swinging the entire drive and propeller shafts into the boat for inspection and repairs.

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Tiny Microscope

Microscope is no larger than a fountain pen, yet can be easily adjusted to give 40-, 50-, or 60-power magnification. Self-illuminating, this microscope can be immediately available for examining minute details in shop, office, or laboratory.

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Lamp Changer

Hard-to-reach electric lamps and broken lamp bases may be removed without danger of ladder-climbing or of possible contact with charged electrical equipment. New device has heavy-gauge synthetic rubber head which grasps lamps from 10 to 1,500 watts. Sectional kiln-dried wooden poles of four- and six-ft. lengths can be fitted together to reach any desirable height.

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Sealing Adhesive

Quick-sticking action of new adhesive overcomes problem in making small corrugated boxes with short, springy flaps. Formerly machines had to be run slowly to give adhesive time to "set," and reruns were frequent. When tapes made with new U. S.-made adhesive are used, makers reported adhesion at much faster speeds, with no need for costly reruns.

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Peel-off Coating

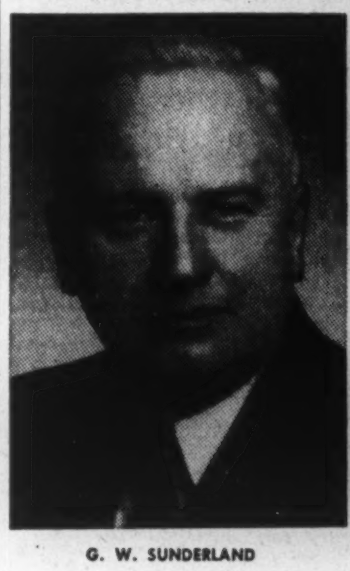
Strippable plastic coating, "Copeel," is available for hot or cold application; provides an envelope-like protective coating for use over bare metals and finished products to protect them from rust, corrosion, marring, and scratching; can be removed from article simply by piercing its surface and stripping like the skin from a banana. Made in New Jersey.

• • •

Protected Files

New cycle billing file, displayed this month in New York, claims to be first especially designed for fire protection. Makers say it will reduce cost of insurance on accounts receivable. Carrying the unqualified fire label of Underwriters' Laboratories Inc., including the 30-ft. drop or impact test, equipment combines the present cycle billing file with constant fire protection at the point of use, and through a "slide in" door occupies a minimum of floor space.

WESTEEL PRODUCTS APPOINTMENTS



G. W. SUNDERLAND

E. F. MELLISH

F. L. PRIOR

WESTEEL PRODUCTS LIMITED confirms the appointment of Mr. George W. Sunderland as Manager, Toronto Division. Mr. Eric F. Mellish, formerly Divisional Contract Manager, becomes Divisional Sales Manager. Mr. Frank L. Prior becomes Divisional Contract Manager.

Number of Chattel Mortgages Sets New Record at Winnipeg

From Our Own Correspondent

WINNIPEG—Between $1.5 millions and $2.5 millions has been borrowed on chattel mortgages by Greater Winnipeg householders in 1947.

In Winnipeg County Court there have been registered 6.602 chattel mortgages during the year, an average of 550 a month and over 20 per day for each business day of the year.

In nearly every case the mortgages have been on household effects, in odd cases as collateral security for some other obligation, and in most cases for loans presumably to pay household or other expenses.

The figures are far ahead of any other year in the court records. In 1938, the year before the war started, the number of chattel mortgages registered was 3,537; in 1939 3,393; 3,938 in 1945; and 5,332 in 1946.

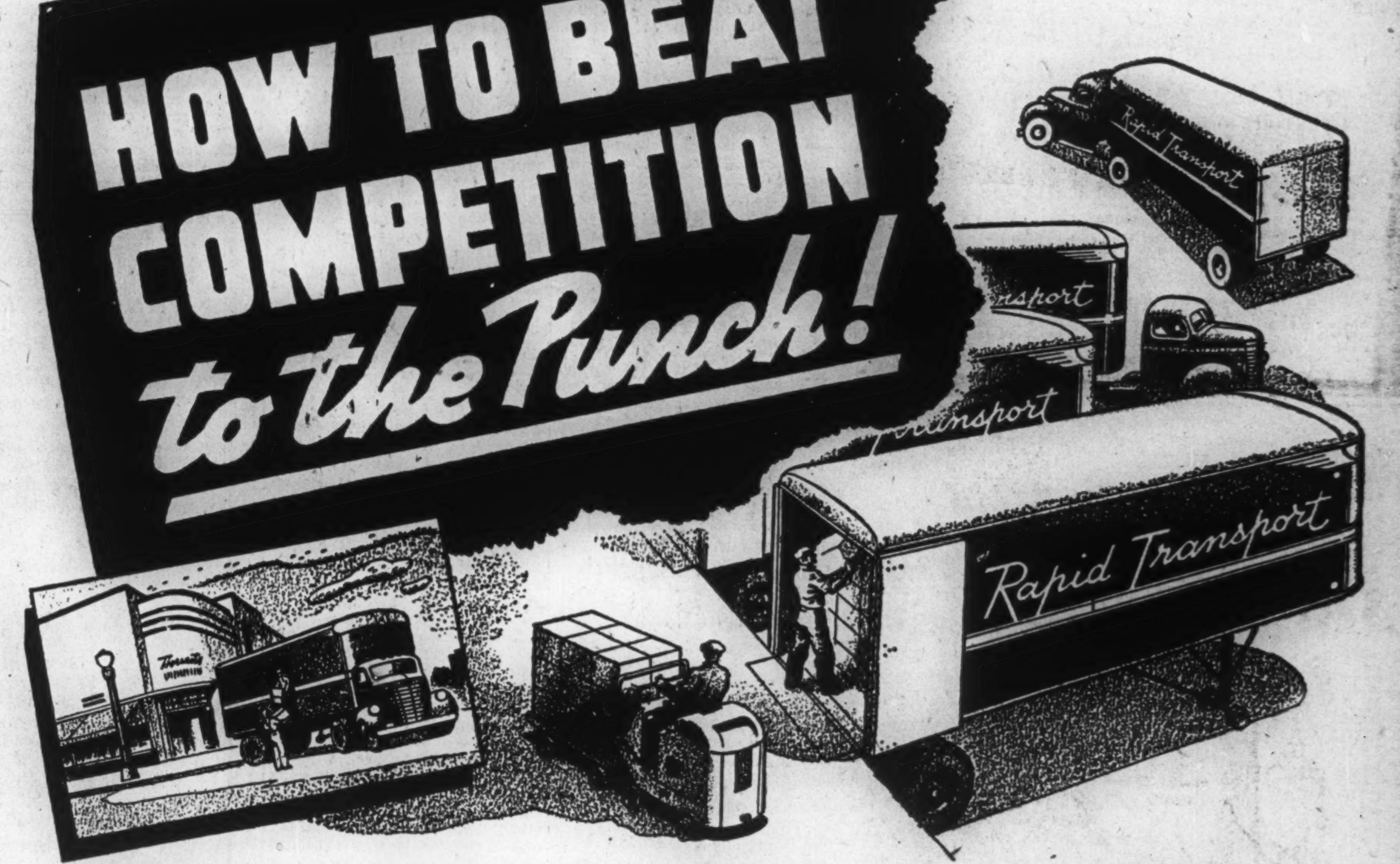
The figures do not indicate the amount of debts secured by lien notes which are not registered. The average loan on the mortgages registered has been from $250 to $400.

Many of them have probably been negotiated by persons of low income, unable to meet the high cost of living and perhaps in the hope the loans can tide them over until prices drop. Too free spending and bad management are other reasons which court officials say have forced the borrowers into hands of the money lenders.

DUVAY GOLD MINES Jan. 18 installment of 50,000 shares at 23 cents has not been exercised and balance of agreement with Torny Financial Corp. has been terminated by default.

CHATCO STEEL PRODUCTS shares were listed on the Toronto Stock Exchange Jan. 26. Ticker ab-

HOW TO BEAT COMPETITION to the Punch!



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Trucks pick up goods wherever they're made, grown or packed . . . speed them direct to the point of delivery. No switch-yard delay . . . no "sidetracking" . . . no waiting for boxcars.

LESS HANDLING — BREAKAGE — LOSS!

Goods are often loaded just once . . . unloaded just once! Extra crating is unnecessary, because there's no "humping", no switching, no jolting. Your goods roll on rubber — naturally arrive in better condition!

LESS INVENTORY.

Smaller, more frequent deliveries by motor freight speed turnover . . . save valuable storage space!

GREATER ECONOMY.

These money-saving features . . . give you greater over-all economy than any other transportation system can offer!

No wonder wide-awake businessmen are specifying "SHIP BY TRUCK"! For more information on how motor transport can help you . . . call in a reliable local operator today.

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Pref. Holders Of Brown Co. Seek Dividends

MONTREAL (Staff)—Preferred shareholders of Brown Co. went into print again this week asking for inauguration of dividends on the preferred stock to prevent the building up of further arrears. Advertisements follow much the same line as previous ones which appeared about two months ago. Current ads are signed "A Growing Group Of Determined Shareholders."

These preferred shareholders apparently feel that the picture of the company's operations painted by President F. G. Coburn in his letter of Jan. 14 to shareholders was unduly gloomy. Primary contention of the preferred holders appears to be that the company has earned the full year's preferred dividend every year since 1941. From this it is reasoned that with more than $15 millions of expenditures on plant rehabilitation and improvement earning possibilities will be further enhanced. They feel it is time for inauguration of dividends on the preferred stock.

Actually, preferred shareholders can do little to hurry payment of preferred dividends other than rally the support of shareholders to exert pressure on company management, it is pointed out.

It is likely that preferred shareholders would be satisfied if there was assurance that a reorganization plan would be presented at the time of the annual report probably in March. Biggest question from the standpoint of the preferred holders is: Will there be a reorganization plan or does the recent letter from the company indicate an indefinite postponement? The current newspaper advertisements leave no room for doubt as to what the "determined shareholders" want.

G. Weston Firm Has Agreed to Buy Loblaw B Shares

George Weston Ltd. has agreed to purchase 111,500 Class B no par value shares of Loblaw Groceterias Co., the prospectus covering the additional preferred stock issue reveals. Purchase price totals $3,623,750, payable at any time over a period of 5 years. This works out to $32.50 a share.

Contracts for purchase of this stock are between the company and the Bank of Nova Scotia and are dated Aug. 27, 1947 and Dec. 22, 1947, respectively. They include the stock purchased from J. Milton Cork, chairman of the board of Loblaw Groceterias, under contract dated Aug. 21, 1947. (At the Loblaw annual meeting last October in referring to the sale of the Class B shares, Mr. Cork stated: "It is a personal thing of Weston's.")

Purchase of the 111,500 class B shares will mean that George Weston Ltd. will own just over 29% of the outstanding $383,300 class B shares which are the voting shares of the company. The shares are currently selling about $27¾ a share.

Bank Debits Up For 11 Months

Cheques cashed by Canadians in November, 1947 were about 9% higher than a year before, all five economic areas showing expansion.

Total bank debits at the clearing house centres of Canada for the first eleven months of 1947 were almost 7% higher, all areas except Ontario showing gains. Comparative figures follow:

CHEQUES CASHED IN CANADA IN NOVEMBER
(Millions of $)

	Nov. 1947	Oct. 1947	Nov. 1946
Maritimes:			
Halifax	87.2	80.5	76.0
Moncton	28.7	27.8	27.2
Saint John	41.6	48.3	43.4
Total	157.5	156.6	146.6
Quebec:			
Montreal	1,708.3	1,839.5	1,651.5
Quebec	227.8	204.8	153.1
Sherbrooke	20.9	22.3	17.8
Total	1,957.0	2,066.6	1,822.4
Ontario:			
Brantford	28.0	28.5	23.5
Chatham	24.4	22.1	18.7
Fort William	19.8	19.7	15.9
Hamilton	158.4	160.6	146.8
Kingston	19.2	19.9	20.1
Kitchener	41.7	39.1	35.9
London	89.8	100.2	80.3
Ottawa	328.4	298.4	336.5
Peterborough	19.5	20.8	18.6
St. Catharines	29.0	29.4	27.1
Sarnia	24.4	24.4	20.5
Sudbury	18.6	18.0	14.8
Toronto	1,829.4	1,929.2	1,704.1
Windsor	106.4	113.5	78.5
Total	2,737.0	2,824.0	2,541.6
Prairie Provinces:			
Brandon	11.4	12.7	10.0
Calgary	150.5	175.4	174.2
Edmonton	103.3	120.5	108.4
Lethbridge	14.3	17.4	13.4
Medicine Hat	9.8	10.8	7.0
Moose Jaw	20.7	19.7	16.5
Prince Albert	9.8	9.4	8.4
Regina	184.4	183.1	112.5
Saskatoon	36.8	38.1	33.5
Winnipeg	835.7	966.8	738.3
Total	1,356.7	1,553.9	1,313.5
British Columbia:			
New W'minster	25.8	28.3	19.8
Vancouver	438.2	500.3	388.1
Victoria	101.8	79.3	69.4
Total	565.8	607.8	487.3
Total for Canada	6,774.1	7,208.9	6,311.8

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- And it does wear longer... Ask for Dri-Breit on your new and rebuilt shoes.

THE BREITHAUPT LEATHER CO. LIMITED
KITCHENER · ONTARIO

Texas Co. Aids McColl-Front. In Development

MONTREAL (Staff) — In the prospectus accompanying subscription warrants sent to shareholders this week, McColl-Frontenac Oil Co. outlines the agreement between itself and Texas Co. with respect to the development of Alberta acreage.

Subscription warrants entitled shareholders of record Jan. 21, 1948, to subscribe for additional shares at $10 a share Canadian or U. S. funds on the basis of one additional share for each two shares held as at Jan. 21. Warrants are valid until close of business Feb. 18, 1948. Texas Co., owning 49.98% of the common stock outstanding, intends to exercise all its subscription warrants.

The agreement with Texas Co. for the development of Alberta oil lands became effective Nov. 1, 1947. Operating details of the arrangement have not yet been negotiated, it is stated. The contract covers all McColl-Frontenac's Alberta acreage except the Pakowki Lake area.

Under the agreement, Texas undertakes to spend up to $3.5 millions in exploring the Alberta properties. McColl will assign to Texas Co. a 50% participation in its Alberta interests. It is provided that the $3.5 millions may be applied to the development of acreage which may be proved or semiproved by commercial discovery. If full exploration uncovers no commercial discovery, the Texas Co. will reassign its entire interest to McColl, if it has not expended the entire $3.5 millions.

In the event of a commercial discovery, and if further exploration is deemed unnecessary before expenditure of the $3.5 millions, Texas Co. will reassign all undeveloped areas to McColl. McColl will be granted the right to purchase at current market prices, Texas Co.'s entire share of any net production (gross production less royalty interests to others).

The agreement also covers any acreage in Western Canada subsequently acquired jointly by the companies. Also, each company is granted the right to purchase at cost a one-half interest in any acreage acquired separately by the other company. McColl states that by this arrangement exploration of the Alberta property will proceed without further immediate cost to it.

George Weston Pref. Offered

The consolidated net profit of George Weston Ltd. was $993,980, after all charges, including an inventory reserve of $500,000, for the nine months ended Sept. 30, 1947, according to a prospectus covering the offering of an additional $3 million 4½% preferred shares; par $100 a share. This profit compares with $1,650,999 for the year ended Dec. 31, 1946, when $300,000 was provided for inventory reserves. The profit figures do not include the earnings of Weston Grocers Ltd., and do not reflect the $1 million tax reserve for the years 1940-46 inclusive, which is no longer required, and has been restored to earned surplus.

Operating statements available since Sept. 30, 1947, have shown a satisfactory trend, and it is anticipated that the profits for the year will be comparable with those of 1946, after taxes and after making reasonable provision for inventory reserves, President F. W. St. Lawrence states.

Public offering of the additional 30,000 4½% preferred shares is being made at $100 a share and accrued interest by a syndicate headed by Gairdner & Co. Proceeds will be applied toward reimbursement of the company in part for expenditures totalling about $4 millions to Dec. 31, 1947, which have been made by it or advanced by interested subsidiaries for additional buildings, plant and equipment.

The Longueil plant (Montreal), purchased and equipped in 1947, is now operating on a moderate scale and is expected to be in full production within two or three months, Mr. St. Lawrence states. Based on the company's experience in the limited operation undertaken up to the present, the plant is expected to be very efficient when in full operation, he adds. The company has outstanding an indebtedness of $600,000, to be secured by a 3¼% mortgage as part of the purchase price of this property, the prospectus discloses.

Certain lands have been sold to Moffats Ltd. and to Canada Cycle & Motor Co. Capitalization, on completion of the financing, will consist of authorized 75,000 shares, (issued, 65,000) of 4½% preferred stock, par $100, and authorized 600,000, (issued 404,421) no-par-value common shares.

The prospectus states that W. Garfield Weston "may be in a position to elect, or cause to be elected, a majority of the directors."

On the basis of 65,000 preferred shares outstanding, the earnings shown above are equal to $14.37 a share for the nine months and to $25.30 a preferred share for the year 1946. Annual dividend requirement on the 65,000 preference shares is $293,500.

It's Your Money

By BRUCE MACKINNON
Maclean-Hunter Editorial Research

It was reported last week that the Hudson Bay Route Association, an unofficial body, is seeking to increase the grain traffic through the Port of Churchill.

Every inch of this route is paved with taxpayers' money. The Hudson Bay Railway runs at an operating deficit currently estimated at $525,000 a year. Interest is not charged, but would amount to over $1 million on the $39.6 millions investment. No allowance is made for depreciation or capital write-off, which should probably run at least $1 million annually.

When grain reaches Churchill, it moves into facilities which cost the taxpayers $12.8 millions and on which interest would be about $365,000. The operating deficit is around $85,000 annually, another item paid for by the taxpayer. Reasonable depreciation on the "investment" would be at least $300,000.

The total is some $3,275,000 annually, and the cost to the taxpayer of moving last year's grain shipment through the bay was thus a little over 60c a bushel — over and above the rail and storage charges paid by the shippers.

On the face of it, it looks as though the taxpayer would be better off if the Bay Route people managed to reach their goal of shipping 16 million bushels through Churchill instead of the 4,975,000 bushels shipped last year. It would look as though this might bring down the cost per bushel.

Actually, since the taxpayer is already paying for two other routes to seaboard, via Vancouver or the Great Lakes, more grain for Churchill will only reduce the volume for the other facilities. Uneconomic government enterprises catch the taxpayer coming and going.

Mtl. Island Power To Call 30-year Bonds

MONTREAL (Staff) — Montreal Trust Co. as trustee for holders of Montreal Island Power Co. 5½% first mortgage 30-year sinking fund series "A" gold bonds reports that Montreal Island Power intends to call the bonds for redemption in May, 1948. Bonds are callable at 101. There is approximately $8.7 millions of these bonds outstanding, major part of which is held by Quebec Hydro.

CHATCO STEEL PRODUCTS LTD. common shares were called for trading on the Toronto Stock Exchange on Jan. 26. The two classes of shares, preferred and common, are now listed on both the Toronto Stock Exchange and the Montreal Curb Market.

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TORONTO NORANDA MONTREAL

Additional Issue

$3,000,000

George Weston Limited

4½% Cumulative Redeemable Preferred Shares
(Par Value $100 per Share)

In the opinion of counsel these Preferred Shares will be investments in which The Canadian and British Companies Act, 1932 (Canada) as amended states that companies registered under it may invest their funds.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly sent upon request.

We offer as principals these Preferred Shares, when, as and if issued by George Weston Limited and accepted by us, and subject to the approval of all legal details by Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto, as counsel for the Company, and by our counsel, Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto.

Price: $100 per share and accrued dividend

Dividends on these shares will accrue from January 22, 1948.

It is expected that Interim Share Certificates will be available for delivery on or about February 2, 1948.

Application for the listing of these additional Preferred Shares has been made to The Toronto Stock Exchange and Montreal Stock Exchange.

The right is reserved to reject any or all applications or to allot a smaller number of shares than that applied for.

Gairdner & Company Limited

Wood, Gundy & Company Limited | Bell, Gouinlock & Company Limited

LONDON and BIRMINGHAM

BRITISH INDUSTRIES FAIR

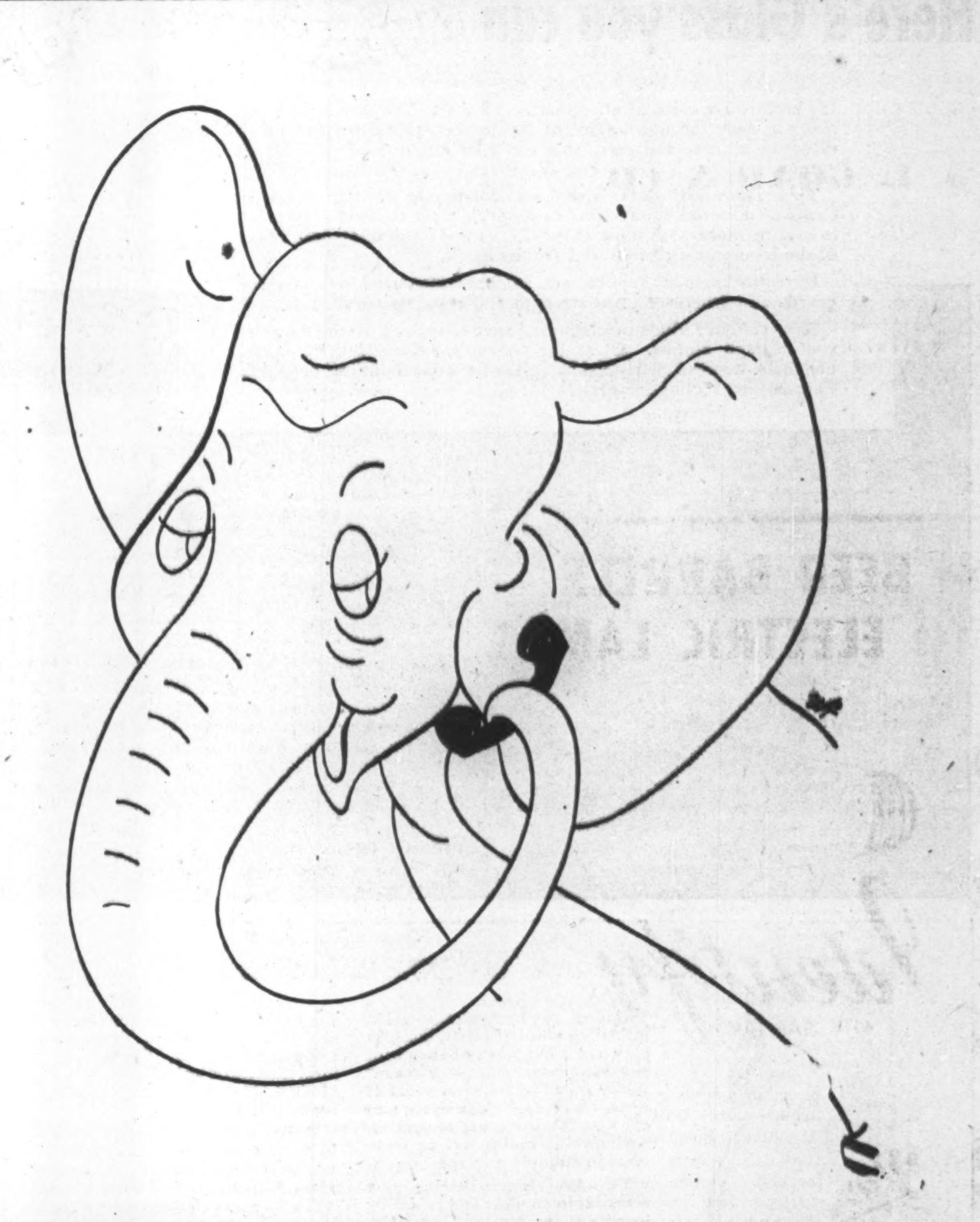
1948
MAY 3-14

ON May 3rd 1948, when the British Industries Fair opens, buyers from all over the world will have an opportunity of inspecting the products of 3,000 United Kingdom manufacturers.

This annual event is the world's largest national trade Fair. Such is its size and importance that you are urged to *come yourself*. You are assured of personal contact with actual manufacturers or sole selling agents and you will find exhibits carefully grouped by trades so that comparisons may be made quickly. Above all you will see new achievements, new methods of manufacture and new ideas all executed with superb craftsmanship.

This is your only opportunity in 1948 to review within a few days the achievements of 87 United Kingdom industries.

For information and assistance you should apply to the nearest British Trade Commissioner's Office.



IT'S FANTASTIC the demand for telephones. The set you use is but a small part of the system. This is the first of a pictorial series to inform you of the mammoth tasks of supplying your telephone company with additional equipment. Northern Electric, Canada's largest makers of telephone equipment.

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Inventory Methods in the United States
The Shortage of Dollars
The Financial Effects of Inventory Methods
The Above are features in
THE CANADIAN CHARTERED ACCOUNTANT
Issue of January 1948
40c per copy $4.00 per year
10 Adelaide Street East
TORONTO 1 ONTARIO

Premier King Out – Then What?

The Question: How will Prime Minister King's resignation affect major political parties.

The Financial Post apparently hit, this week, on a $64 question. Representative Canadians whom it polled, differed widely in their predictions as to the probable politcal consequences of the forecast retirement of Prime Minister King. Some believed the Liberals would continue in power; some foresaw a swing to the Progressive Conservatives; a few still were not convinced that Mr. King would lay down the reins in the near future. Few saw any advantage to be gained by the CCF or any other leftist group.

C. W. CLARK, Editor, Daily Gleaner, Fredericton, N.B.

The resignation of Mr. King as leader of the Liberal party will make no difference in New Brunswick — or, indeed, elsewhere. The change is not unexpected; in fact, has been discussed for several years. The choice of successor may make a difference, as it hardly can be expected that a choice can please all in general. However, the Liberal organization is strong enough to stand the strain of readjustment. Opponents, of course, will make the most of the change in leadership.

C. G. DUNN, President, Quebec Chronicle-Telegraph, Quebec.

The effect of Mr. King's resignation will depend on what the resignation really means. If it applies both to Prime Ministership and Liberal leadership it would tend to strengthen opposition parties and weaken the government party — temporarily, at least, unless a particularly strong and popular successor is chosen. Should party leadership only be involved, the situation would remain materially unchanged, since the King personality would still remain the dominant factor. The greatest opportunity seems to be offered to the Progressive Conservative party, but more vigorous and dynamic leadership is required. The Coldwellites have passed the peak of party popularity, and will have difficulty in conserving their present strength.

• • •

J. FRANK FLAHERTY, Publisher Buchanan's Bulletin, Ottawa.

Mackenzie King's retirement will weaken the Liberal party's chances at the next election, improve those of the Progressive Conservative party and probably have no effect on CCF prospects. An important but incalculable number of voters have, in recent elections, voted Liberal because of confidence in Mackenzie King the man, because he appeared to have the best chance of winning, and they wanted strong and stable government. Some of these voters will turn to the Progressive Conservatives, providing that party can demonstrate aggressiveness and consistency equal to or greater than the Liberal party, under a new leader.

• • •

R. M. HARRISON, Columnist, Daily Star, Windsor, Ont.

As a reactionary, a chronic sceptic and an occasional communer with the spirits, I fail to see what all this fuss is about. He won't resign. He'll lead 'em in another "last campaign." The effect on the other parties will be the measure of their ability to destroy the "King-can-do-no-wrong" illusion. When eight of the nine provinces voted for a certain measure, Mr. King, who asked for the mandate to relieve himself of a pledge, promptly said the ninth province was the only one in the right. If I had ever had any faith in the Great Evader and Appeaser, that would have shattered it. Shattered even more is my nonexistent faith when the P. M. comes out with his nine-years-late blast against Communism. I do agree, however, with two recently publicized assertions — "For far loo long, far too much has rested on the shoulders of far too few"; and my own prognostication is that W. L. M. K. will be elevated to the peerage with the title of Baron Beauharnois of the Valley of Humiliation.

• • •

H. G. LONG, Editor, Harold, Lethbridge, Alta.

Retirement of Prime Minister King after so many years as head of Canada's Government, is bound to have political repercussions affecting all parties across the Dominion. It will encourage opposition parties to believe the next general election will give them better opportunity. Especially will it encourage Mr. Bracken to redouble his efforts. As for the Liberals, they will be thankful for Mr. King's ability to attract able lieutenants in the past who, if chosen, would be fitted to direct Canada's Government in troublous days ahead.

• • •

A. R. M. LOWER, Professor of History, Queen's University, Kingston, Ont.

The average Liberal backbencher, if he has any courage in individuality, should have a little more to say in day-to-day affairs, than hitherto. The independence of the party member, badly damaged by Mr. King's enormous prestige, may be somewhat restored. Thus we might get slightly closer to genuine responsible government, which means that Parliament bosses the Cabinet, rather than the Cabinet's bossing Parliament. Progressive Conservatives may find Mr. King's successor not quite so adept, and this should give them a little better chance. The CCF — if the successor comes from the left wing of the Liberal party, it might mean, in the long run, some division of that party, the right wing going, where it belongs, into Toryism and the left wing uniting with the CCF to form a new government, representing not so much socialism as reformism. A right wing Liberal leader would eventually mean the loss of real difference between Liberals and Progressive Conservatives, the CCF becoming the official Opposition.

• • •

ROGER OUIMET, K.C. Former Crown Prosecutor, Montreal.

Hard as it is to foretell the real and actual consequences of any of Mr. King's political moves, I feel that his resignation may afford the Progressive Conservatives (and their Quebec provincial allies in Mr. Duplessis' party) a false sense of possible future successes, rather tragic on the part of a quasi-moribund organization. The CCF party will most likely believe that this important historical event could mean increased support from the outside; but I am quite convinced it will prove to be wrong. The Liberals are liable to experience for a short time a feeling of insecurity and uncertainty, hardly escapable in any transitional period. However, they cannot escape their destiny, and whoever succeeds Mr. King may prepare himself for another period of historical and political achievements.

• • •

A. P. PATERSON, Former Minister of Education, New Brunswick.

How Mr. King's resignation as leader of one major political party will affect major political parties, should depend upon what part he may take after his resignation, in the functions of his party. Without such knowledge, it does not seem possible to express a worthwhile answer to your question. He may continue to guide his party.

• • •

HON. N. M. PATERSON, Member of Canadian Senate, Ottawa.

I believe Mr. King's resignation will publicize the many meritorious acts of his administration, especially his wonderful tact in maintaining unity through troubled times. I suggest his age makes retirement reasonable and sensible. The country will appreciate his effort, and re-elect his successor and party. Followers of all other parties, failing any better move, will support a return of the party they know, rather than experiment at this time with the unknown.

• • •

L. A. TASCHEREAU, Former Premier of Quebec.

Mr. King's resignation will be a great loss to Canada, the empire and the peace of the world to which he has devoted so much of his intelligence, activities and wonderful comprehension of today's problems. The Liberal party will feel, surely, the loss of its captain who, for the number of years he has been at the helm, has guided it to victory and built up Canada as one of the leading countries of the world. But Mr. King is leaving the house in order and his successor, especially if he be Mr. St. Laurent, will hold the old province of Quebec in line, and get the practically unanimous support that was given Mr. King.

• • •

G. S. THORVALDSON, President, Income Tax Payers' Association, Winnipeg.

Does King intend to resign the premiership? He seems determined to leave the matter in doubt. One cannot help but wonder if this is a matter of personal vanity or intended for the good of the Liberal party. However, the fact of King's resignation in itself will have little bearing on the fortunes of the other major political parties. What is important, will be the choice of a successor. In my view, no present contender for his mantle is endowed with the art of compromise, to the extent of being able to hold permanently a solid Quebec and at the same time carry with him the rest of Canada.

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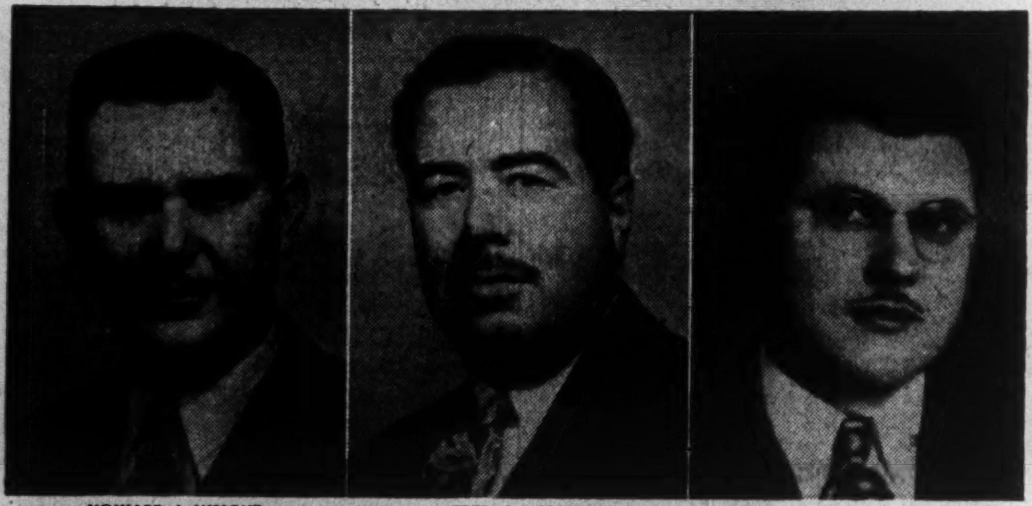
QUALITY STEELS (CANADA) LIMITED PROMOTIONS



HOWARD J. WRIGHT FRED J. ALLAN GEORGE H. REED

Quality Steels (Canada) Limited announces promotion of three Executives: Mr. Howard J. Wright, Chief Metallurgist is appointed Plant Manager; Secretary-Treasurer Mr. Fred J. Allan becomes Sales Manager and Mr. George H. Reed, Chief Accountant is now Secretary-Treasurer. *

Here's Glass you can twist and bend!

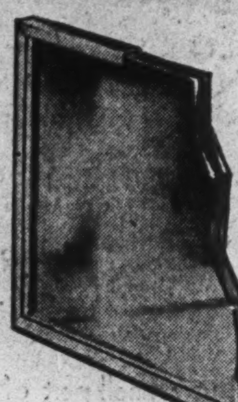
It's hard to conceive of glass that isn't *brittle*. Yet here it is—glass that can *bend* through angles of 20 degrees, that can stand up to extremes of heat and cold, that can take all sorts of punishment without breaking! The secret is a special heat tempering process.

This tempered glass is known commonly as HERCULITE in Canada. Like other products of modern glass research, Herculite is sold by Hobbs. Almost as quickly as a glass development is out of the laboratories, you'll find Hobbs has it.

Herculite has many applications: in glass doors, partitions, machine guards . . . wherever great strength and clear vision are required.

Newer, better kinds of glass for better living are on their way to you through Hobbs. Glass for factories, offices, hotels, stores, hospitals, homes . . . Hobbs has glass for every building need. In Canada—it's Hobbs for glass!

• Here a laboratory apparatus twists Herculite through an angle of more than twenty degrees.



Multiple-pane TWINDOW *makes windows insulate!*

Twindow, the hermetically sealed insulation unit by Hobbs, consists of two or more panes of glass with a sealed air-space between, and a sturdy frame of stainless steel. It is used wherever clear vision and effective insulation are important. Twindow is the *newest* development in multiple glazing!

Twindow reduces heating costs and adds to comfort and health by bringing in plentiful daylight, minimizing cold downdrafts near windows! Easy to install. Your architect knows about Twindow and can advise you. Consult our local branch, or write Hobbs Glass Limited, Dept. B1, London, Canada, for descriptive folder.

Hobbs can supply *all* your needs in glass: PC Glass Blocks • Coolite heat-absorbing glass • Corrugated glass • Herculite tempered glass • Nucite glass chalkboard • Plate glass • Safety glass • Mirrors • Carrara • Plexiglas

Look to GLASS for better living- HOBBS GLASS, PAINT *come to HOBBS for glass!*

COMPANY REPORTS

NORTHERN FROSTED FOODS operations for the year ended Oct. 31, 1947, resulted in a net loss of $1,815 as compared with a loss of $456 for the previous year. A cold storage room was ready for use last August and was used to handle locally produced meats and meat products from which in a three month period, a gross profit of $2,256 was earned. A profit of $1,024 was made from sale of poultry, eggs and blueberries.

Demand for company services have become so insistent that we find we must have additional capital immediately to get into full operation, it is stated. The stock is still being offered by the company.

INCOME ACCOUNT

Years Ended Oct. 31:	1947	1946
Sales	$7,341	......
Net earnings	a1,018	a$390
Less: Deprec.	691	66
Interest	148	......
Taxes	42	......
Net loss & deficit	1,899	456

aLoss.

Earnings per Share* & Dividend Record:		
Preferred	d$0.18	d$0.04
Common	d0.056	d0.021

None paid on either stock.
*Based on shs. outstand. at Oct. 31, 1947.

CONDENSED BALANCE SHEET

As at Oct. 31:	1947	1946
Cash	$1,934	......
Accts. rec.	1,450	......
Inventories	3,083	$359
Total curr. assets	6,467	359
Prep. exp.§	286	415
Misc. assets	16,261	13,666
Fixed assets*	42,815	36,600
Goodwill	3,000	3,000
Total assets	68,829	54,040
Bank overdraft	......	860
Accts., tax., etc., pay.	1,141	5,147
Total curr. liabs.	1,141	6,007
Capital stock	66,446	50,962
Earned surplus	1,242	▲2,929
*After depr. of	903	447

§Incl. in curr. assets in co's. report.
▲Deficit.

Working capital	5,326	‡5,648

‡Excess of curr. liabs. over curr. assets.

The North American Way of Life—*in action!*

A Report
TO MORE THAN 110,000 POLICYOWNERS

To make dreams and plans work out for thrifty families, in their chosen way of life—that is our business.

The policyowners of North American Life enjoy a way of life which brings rewards of their own design through their own creative endeavours and thrift.

More than a hundred and ten thousand families are happier in the security of their North American Life policies, which now total $445,914,125, as a result of new business in 1947 of $65,669,068.

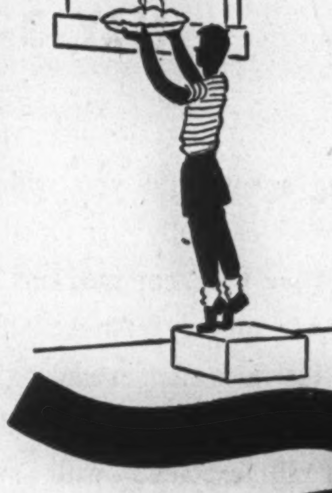
The 67th annual report of our stewardship to the policyowners of this Mutual Company, and to prospective clients, shows that the Company again had a good year. Here are the 1947 highlights:

Premiums paid to us by policyowners	$12,971,392
Payments by us to policyowners and beneficiaries	$6,314,354
Increase in our reserves under policies in force	$6,854,571
Total liabilities to policyowners	$103,792,069
Special reserves and surplus funds	$6,681,316
Total assets	$112,984,061

If you wish a copy of the full Report for 1947, please call or write your agent.

NORTH AMERICAN LIFE
A MUTUAL COMPANY

POSTERS ARE THEIR OWN BEST "AD"
because...
THEY HAVE
Human Interest
The size and full colour
of Posters encourage the use
of human interest pictures
with an instant appeal.
Everyone sees them.
They talk a language
that even a child
can understand.



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LABOR ROUNDUP

U. S. Refuses Entry to Canadian Reds; Will Canada Raise Immigration Bars Too?

By RONALD WILLIAMS

The United States is slamming its doors in the faces of people it believes to be Communists or Communist sympathizers. In the last three months a dozen Canadian left-wing labor men have been refused admission.

This week, in view of Prime Minister King's unusually blunt criticism of Communism, many labor people were wondering if Canada is about to do the same. Under Sec. 3 of the Immigration Act, persons who advocate overthrow of goverment by force can be legally excluded.

Since the war, American left-wingers, when accredited labor union officials, have been free to come and go at will. A case in point is Reid Robinson, now in charge of organizing in Ontario's gold mining country.

Robinson, who was refused entry to Canada years ago and held up during the war, re-entered two months ago to take over direction of the CIO Mine, Mill and Smelter Workers in Northern Ontario. He gave up the International presidency in 1946 when the union split over communist control.

At the moment, Canada's policy falls far short of the United States'. At one time, U. S. Immigration authorities offered no explanation when a suspect was turned back, although why was no great mystery. Recently this policy was changed. Now the authorities are sometimes coming out point blank and calling a Red a Red.

On Jan. 7 Homer Stevens set out for Washington to attend a meeting of the International Fisheries Commission as a representative of the Vancouver halibut fishermen.

Stevens, is a young, active organizer with the left-controlled United Fishermen and Allied Workers Union. Two months ago he headed the B. C. delegation to the World Youth Festival in Prague.

With three others, Stevens applied for entry to the U. S. at Blaine, Washington. Two of the four, were allowed in but Stevens and Leif Tusvik also of the Fishermen's Union, were taken before a special board of inquiry. After three hours of questioning, Tusvik was allowed in.

Stevens was refused entry. "You, Homer Stevens," ruled the Board, "have been excluded . . . as an alien who is a member of an organization (LPP) which circulates, distributes or displays copies of the Communist Manifesto of Marx and Engels. . . ."

Stevens, telling his story in the Fishermen's newspaper, said that in all his 15,000 miles of travel this summer through Europe, he was only questioned on his political beliefs once—at New York.

"I told him as I told the Blaine officer that I am a member of the LPP. I have never denied membership. . . ."

Never at a loss when it comes to making political capital, the Communists quickly brought pressure to bear on the International Pacific Salmon Fisheries Commission.

The Commie gimmick: a resolution (unanimous, of course) asking the Commission to hold all future meetings in Canada until such time as Canadian members are permitted to enter the U. S.

There seemed to be no doubt that the Commission wouldn't rise to the bait but from the Communist point of view, it was still good propaganda.

Earlier, at Niagara Falls, N. Y. Charles Doyle, Scottish-born International vice-president of the leftist AFL Chemical Workers, who has lived in the U. S. 25 years, was refused re-entry after attending a union meeting in Windsor.

He had just taken out his first papers toward U. S. citizenship. In his case, the Immigration people offered no explanation. However, the Communist Press in Canada pointed out Doyle was the first union man in the Buffalo-New York-Niagara Falls area to sign a Taft-Hartley no-communist affadavit.

Earlier still, two representatives of Ontario's tough CIO Electrical Workers were turned back. Before that, several officials of the crimson B. C. Woodworkers found the way to the U. S. barred.

• • •

Postgraduate Course In Trade Unionism

A unique experiment in labor education, involving co-operation between the Canadian Congress of Labor and the University of Toronto, was under way at the war-born community of Ajax, 20 miles east of Toronto this week. Once the site of the Empire's biggest shell-filling plant, Ajax is now the U of T annex.

There this week gathered 130 CCL-CIO union men from all across Canada to attend Canada's first winter union school. It is being conducted by the CCL in co-operation with the U of T. The curriculum consists of six courses, all conducted by top experts, some union men, some university professors.

On Monday, the school opened with an address of welcome by Dr. Sidney Smith, U of T president. He was followed by CCL Secretary-Treasurer Pat Conroy with the keynote address, followed by Victor Reuther, brother of Walter Reuther, president of the CIO Auto Workers. Victor is the UAW educational director.

Highlight of the extra-curricular activity would probably be the first labor meeting ever held at Convocation Hall. Scheduled for Thursday, the meeting would hear C. H. Millard, Canadian director of the CIO Steelworkers and Col. W. E. Phillips, chairman of the U of T Board of directors and wartime head of Research Enterprises, Toronto, discuss industrial relations.

On Friday, CCF Leader E. B. Jolliffe, as counsel for a number of CCL unions, was to speak on "Labor Legislation in Canada." A. R. Mosher, CCL president will wind up the school with a presentation of certificates.

Here's the line-up of courses and lecturers:

Economics and Union Policy: Prof. Lorne Morgan, professor of Political Economy at U of T.

Time Study: Robert Kanter, CIO Auto Workers expert.

Job Evaluation: Sol Barkin, Research director, Textile Workers (CIO) aided by Joe Scanlon, formerly research director CIO Steelworkers.

What can unions do about Co-ops: C. J. McLanahan, National Education director, Co-operative League of the United States.

Local Union Publicity: Robert Cruden, publicity director CIO Rubber Workers.

Putting Psychology to Work for the Union: Prof. Farrell Toombs, research associate, Industrial Relations department, U. of T.

• • •

B. C. Strikes Cost 153,168 Man Days

British Columbia came through with a man-hour strike loss only slightly more than one-tenth the 1946 cost, despite four additional walkouts. (The Dominion-wide cost in 1947 was about half the 1946 toll).

Labor Minister Wismer said there were 25 strikes in 1947 affecting 65 employers and 6,386 employees, resulting in a total loss of 153,168 man days.

In 1946, there were 21 strikes involving 524 employers (416 in the mammoth lumber strike) and 40,014 workers, resulting in a time loss of 1.3 million man days.

Last year's major strike was the B. C. transit tie-up in Victoria, Vancouver and New Westminster. This was responsible for throwing 2,850 persons out of work for a total loss of 82,650 days. Strikes in five Vancouver and New Westminster steel plants cost another 21,212 days time. The other important strikes were those of furniture workers, the packing-house workers and a jurisdictional dispute in Yarrows shipyards, Victoria.

JOSEPH JEFFERY

has been elected a vice-president of the London Life Insurance Co., of which he has been a solicitor and counsel since 1930.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA CEMENT CO net profit for the year ended Nov. 30, 1947, was up 11%. The year 1947 was one of the most active on record in the building industry, the dollar value of building exceeding all previous figures. Orders for cement were extremely heavy and for several months during the most active season the demand was greater than the supply. Company's gross sales were 10% higher than in the previous year.

Outstanding bonds were reduced during the year by $690,000, leaving balance of $2,800,000. The mortgage on the Canada Cement Building was reduced by $50,000, leaving a balance of $245,000. This balance has been brought into current liabilities as it is due in 1948 and will be paid off. The addition to the plant at Montreal East came into production in July. With a full year's operation in 1948 the supply of cement available for Eastern Canada will be materially increased, it is stated. The additional unit at the Exshaw plant was not completed in 1947 as expected owing to the delay in supply of essential materials. This unit will be in operation before May 1, 1948. Directors have authorized an addition to the Belleville plant.

Prospects for 1948 are very good in the building industry. Even if the dollar value does not reach the record 1947 figure, it gives promise of being very active and in consequence the company's product should be in good demand, President J. D. Johnson states.

INCOME ACCOUNT

Years Ended Nov. 30:	1947	1946
Net earnings	$7,823,731	$7,100,449
Less: Deprec.	2,070,000	2,225,000
Bond interest	73,201	232,626
Mortgage int.	11,300	13,300
Bond exp.	......	100,000
Invent. res.	250,000	......
Inc. tax res.§	2,400,000	2,156,000
Pension fund	100,000	100,000
Net profit	2,419,230	2,178,523
Less: Pref. divd.	1,306,648	1,306,649
Pref. divid. fund	600,000	800,000
Surplus for period	512,583	72,874
§Incl. ref. EPT	......	10,400
Times Fixed Charges Earned:		
Before deprec.	92.50	15.90
After deprec.	62.17	10.92
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$2.41	$2.17
Incl. ref. EPT	2.41	2.18
Paid (new)	1.30	0.32½
Paid (old)*	....	4.87½
Com.†: Excl. ref. EPT	1.86	1.45
Incl. ref. EPT	1.86	1.47
None paid.		

*Before 5 for 1 pref. stock split on Sept. 23, 1946.

†Before allowing for preference dividend maintenance fund appropriation.

CONDENSED BALANCE SHEET

As at Nov. 30:	1947	1946
Cash & govt. bds.	$1,066,241	$1,917,997
Accts. rec.	1,579,845	1,362,029
Inventories	3,070,123	1,844,446
Total curr. assets	5,716,209	5,124,472
Misc. assets§	1,842,546	1,219,481
Fixed assets†	21,640,166	21,186,104
Total assets	29,198,921	27,530,057
Accts., tax., etc., pay.	2,904,621	1,609,337
Mortgage due	245,000	......
Total curr. liab.	3,149,621	1,609,337
Funded debt	2,800,000	3,785,000
Misc. res.	850,000	850,000
Capital stock	26,490,805	26,490,805
Earned surplus§	4,508,497	3,994,915
Pref. divid. fund	1,400,000	800,000
†After depr. of	‡2,570,000	28,849,703
§Incl. ref. EPT	340,671	340,671
Working capital	2,566,588	3,515,135

‡Accumulated subsequent to appraisal on Nov. 30, 1946.

WATERLOO TRUST & SAVINGS CO. 1947 net profit was $120,306 ($112,513 in 1946). The company experienced a considerable increase in business, guaranteed funds, represented by deposits and investment certificates, showing an increase of $2,263,669, and estates and trusts totals, after distribution of a considerable number of estates, increasing $431,000. These increases brought the total business of the company to $37,093,870. During the year the company received a great many appointments as executor or trustee under wills.

	1947	1946
Liab. to public, etc.*	23,129,067	$20,861,796
Sharehldrs' equity	2,132,040	2,130,734
*Secured by:		
Mtges. & sales agree.	6,472,875	5,766,898
Office premises	341,140	324,190
Realty for sale	18,918	[illegible]
Liquid assets†	18,428,174	16,865,373
Total	25,261,107	[illegible]
†Includes bonds and stocks.		
Estates account	11,832,763	11,401,479
Earned per share	$8.02	$7.50
Paid	5.00	5.00

GATINEAU POWER CO. fractional certificates issued in exchange for Canadian Hydro-Electric 6% preferred stock expired on Sept. 1, 1939, but the outstanding fractional shares may still be redeemed at the National Trust Co. at the rate of $12.09 per share plus $1 accrued dividend.

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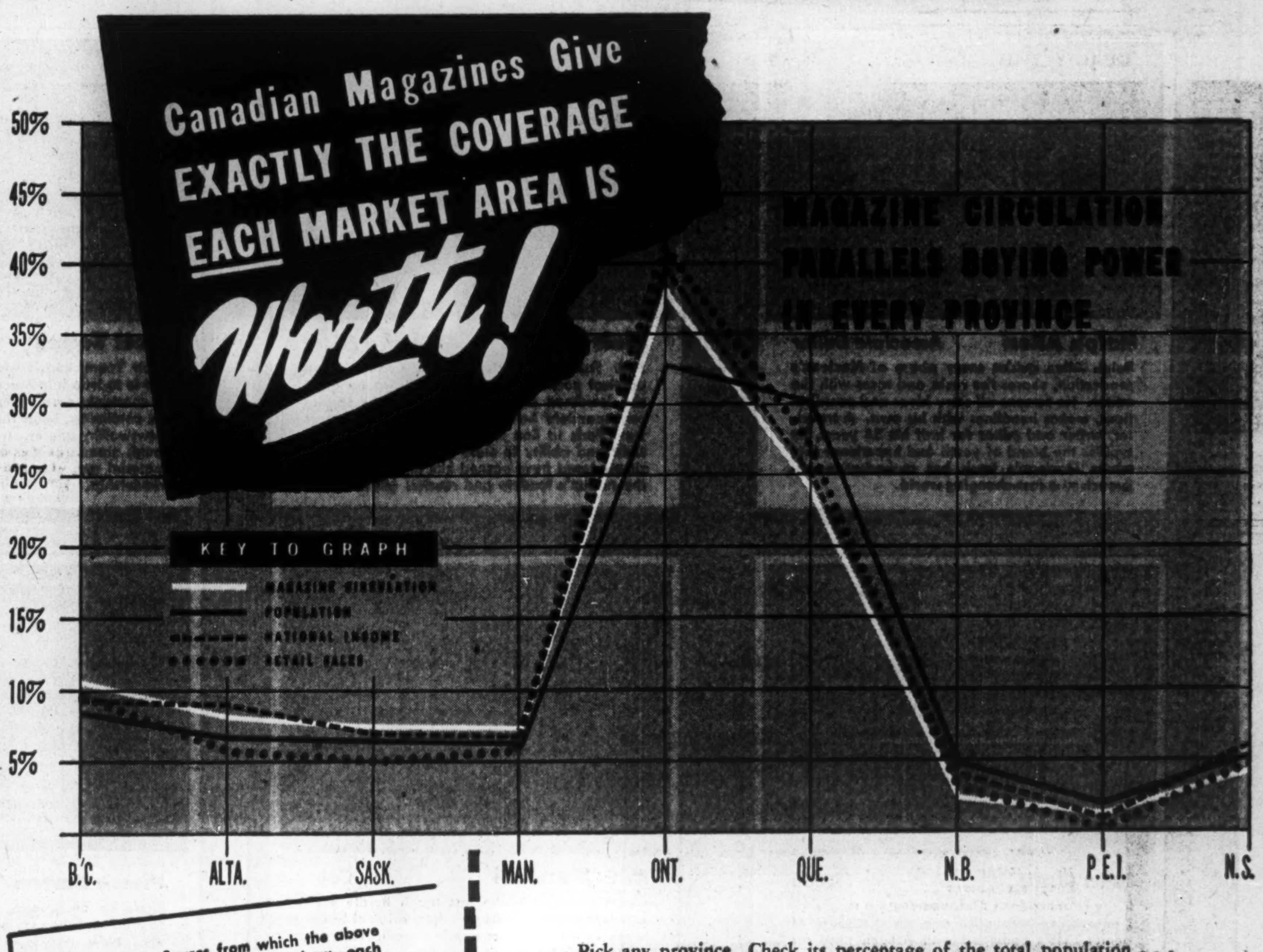

Below are the figures from which the above graph was compiled. They show each province's percentage of total population, national income, retail sales and total circulation of ten representative Canadian magazines:

Province	Pop.	Nat. Inc.	Ret. Sales	Mag. Circ.
		PERCENTAGE OF		
B.C. . . .	8.2	9.6	9.1	10.38
Alta. . .	6.6	5.7	6.4	7.88
Sask. . .	6.7	5.1	5.4	6.61
Man. . .	5.9	5.4	6.1	6.72
Ont. . .	33.4	40.4	40.9	37.64
Que. . .	29.5	26.3	23.8	24.01
N.B. . . .	3.9	2.9	3.0	2.53
P.E.I. . .	.8	.4	.5	.54
N.S. . . .	5.0	4.2	4.8	3.69

For a copy of the comprehensive analysis from which these figures were taken, write to Market Analysis Bureau, Magazine Publishers Association, 137 Wellington St., Toronto, Ont.

Pick any province. Check its percentage of the total population . . . of national income . . . and of retail sales. Compare these with the province's percentage of Canadian magazine circulation.

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There are no weak spots in the coast-to-coast coverage provided by the Magazines of Canada. Your advertising message gives equitable support to your sales force, wholesale and retail outlets in *all* territories.

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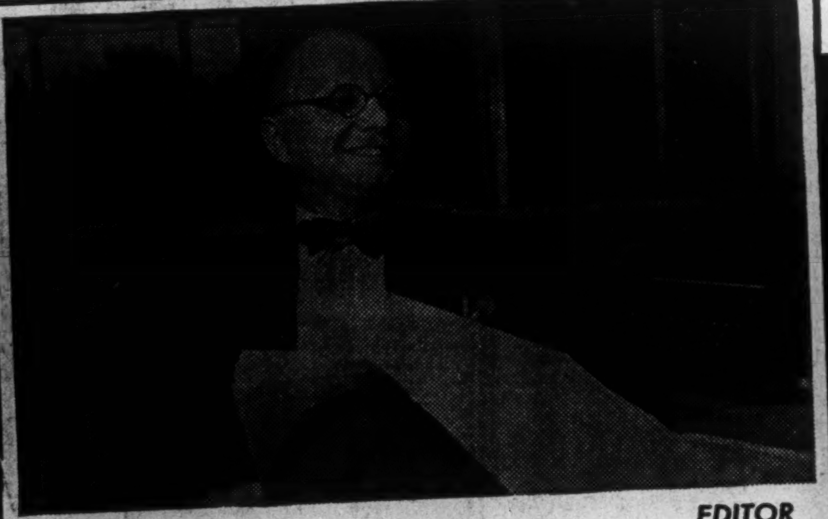
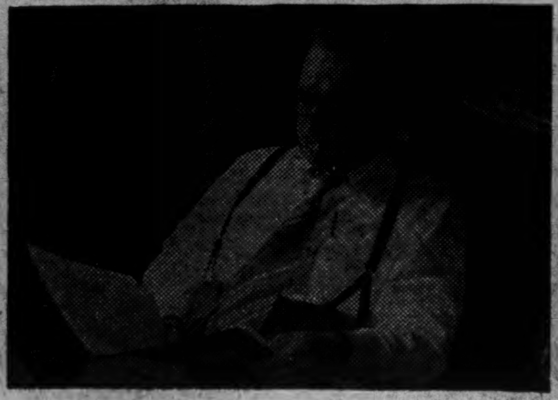


W. A. IRWIN — *EDITOR*

Associate editor for 17 years, managing editor since '43, editor since '45, Arthur Irwin's final okay on each issue sets the tone and tenor of Maclean's Magazine. He keeps constant vigil on the trend of the times, probes today's events for tomorrow's import, strives always to keep Maclean's an open forum for the nation. When not engaged in these formidable tasks he lures Canada's top writers to his staff. Maclean's readership—Canada's greatest—testifies to his success on all counts.

Maclean's Magazine is edited and produced by this staff, whose combined knowledge and experience are unsurpassed by that of any other periodical in Canada.

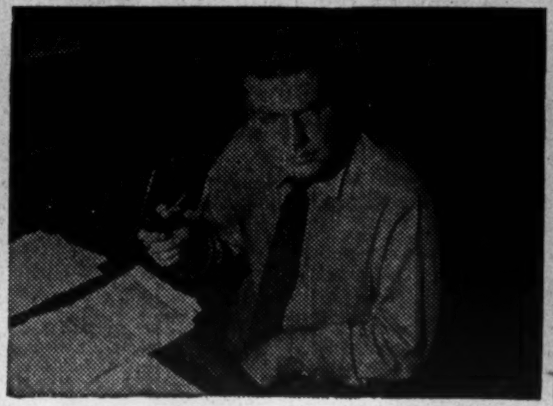


Ralph Allen — *Associate Editor*

Ralph Allen guides every phase of Maclean's production, shares the rocks and roses with the editor. He screens all story ideas and contributions, makes headlines with his own. A traveller, writer and editor for half his 34 years, he typifies the blend of youth and experience that marks Maclean's fresh but authoritative approach to a fast-changing world.

Blair Fraser — *Ottawa Editor*

Blair Fraser is Maclean's and Canada's top political commentator. From Ottawa he gives the lowdown on the higher-ups. As special correspondent he's covered world conferences from Paris to San Francisco. His integrity, insight and ability to state complex problems in simple terms have earned him high praise from the nation's leaders and readers alike.



Scott Young — *Articles*

Scott Young knows what interests people. His job is to trap it in Maclean's articles. He keeps in constant contact with top feature writers on six continents, helps them hatch ideas, suggests newsworthy angles. A hard man to please, his tough standards are applied to all nonfiction material and accounts for its consistently high readership.

R. G. Anglin — *Production*

Jerry Anglin sees that each issue gets to the printers—on time. A worksheet in one hand, a calendar in the other, he makes daily progress checks, tracks down bottlenecks, prods fellow editors, steams up production in all departments. Also contributes a steady flow of article ideas and triples in brass on slack days as a crack reporter.

John Clare — *Fiction*

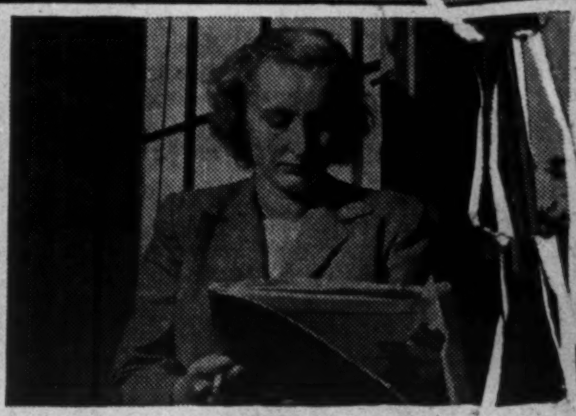
Every morning John Clare tears into a mound of manuscripts, sniffs each one for the spore of genius. He's equipped with a keen nose for pace, tension, action, the yarn that stimulates and entertains. His resolve to print just that keeps Maclean's fiction tops with short story addicts. And he practices his precepts in frequent contributions of his own.

A. S. Marshall — *Copy*

Adam Marshall is the last tough hurdle each article must pass on its way from original brainwave to Maclean's composing room. Formerly news editor for one of Canada's leading newspapers, his constant tools are an encylopedic memory, insatiable curiosity, a passion for clarity. He writes most titles, "blurbs" and cutlines for the stories he checks and smooths.

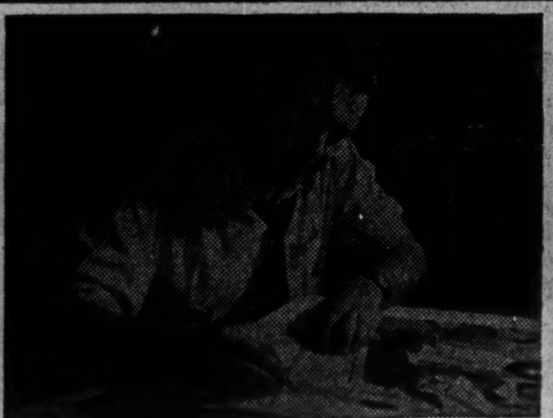
Pierre Berton — *Assignments*

Pierre Berton is long, lean, loquacious. Came to Maclean's by way of the Yukon and Vancouver. Now sets local production records for articles turned in. He delights in off-beat characters, fantastic situations, as attested by his recent life story of an octopus impressario and his report on the United Nations Assembly at Lake Success.



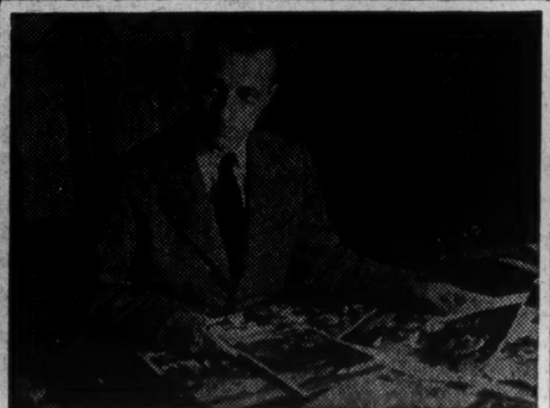
Eva-Lis Wuorio — *Assignments*

Miss Wuorio is Finnish by birth, Canadian by choice, a writer by inclination. Before joining Maclean's she was one of Canada's leading newspaperwomen and a prolific writer of short stories and articles. As unofficial spokeswoman for Maclean's 770,000 women readers she is always sure of a respectful hearing at all editorial conclaves.



D. M. Battersby — *Art Editor*

Dave Battersby is in charge of Maclean's art, make-up and design. He makes the final recommendation on every aspect of the magazine's "dress," from type size to front cover artist. He picks top illustrators, encourages bold layouts, strong contrasts of light, shade and color. An artist himself, his own work frequently hangs in Canadian art galleries.



N. O. Bonisteel — *Photo Editor*

Since 1935 "Bonnie" has been a versatile anchor man. Now in charge of all photos used in Maclean's. He keeps close tab on the country's cameramen, knows where to lay hands on "shots" of anything from a microbe to a mountain. Also in charge of production in the Art Department, makes sure that art layouts don't keep the type waiting at the altar.

THESE ARE the people who make Maclean's indispensable reading for over 1,790,000 Canadian men and women. In this lineup are crack correspondents, political analysts, authors, artists—people who know journalism, make-up, art, experts on every phase of magazine production. They know Canada. And they know Canadians—their interests, their preference in reading matter: crisp reports on world events, outstanding personalities, national affairs, political trends, fast-paced fiction, the latest on movies, sports, science. They have cracked down on racketeers, focused attention on subversive minority groups, exposed violations of law and decency and influenced the thinking of a large and powerful segment of the Canadian public. Their achievement has made Maclean's more than a magazine . . . they have made it an institution in the lives of one and three quarter million Canadian men and women.

CANADA'S NATIONAL MAGAZINE

MACLEAN'S

A MACLEAN - HUNTER Publication

The Financial Post

Vol. XLII | Publication Office: Toronto, January 31, 1948 | No. 5

Can We Make More Auto Parts?

Canadian-made Cars About 30% American Here's How Parts Makers Feel About It

By RONALD WILLIAMS

About 30% of everything that goes into a Canadian car, from bodies to bearings, comes from the United States.

Last year, that 30% gobbled up over $100 millions in precious U. S. exchange for parts alone—nearly double the 1946 import bill.

Add to this another $66 millions for 33,249 passenger cars, 6,029 trucks and 973 buses, and you get roughly $166 millions spent in the U. S. and the first reason why the Government has singled out the auto industry as the economic guinea pig in its dollar-saving program.

To plug this drain on our dollar reserves, the Government has said in effect: make more parts in Canada and/or sell cars or parts in dollar areas to balance dollar imports.

Why, says Ottawa, do we have to import such things as horns, gauges, windshield wipers, starter switches, ammeters, arm rests and steering wheels, just to mention a few.

These, Ottawa says, are relatively simple to make. Unlike body panels and frames and axle housings, they do not involve enormous costs for tooling and equipment.

At present, because they are of a "class and kind not made in Canada," they come in duty free. (See accompanying table for detailed list of duty-free parts).

But as soon as any part on this list becomes available in Canada in sufficient quantity to meet demand, it comes off the free list, and the regular duty of 25% goes on.

Then it's up to individual manufacturers whether they buy the Canadian product or not. But if they don't, they pay through the nose for the U. S. equivalent. Another "persuader" is the Canadian content requirement.

We're Going to Make Fuel Pump

A current example is fuel pumps. At present, because they're not made in Canada, they come in free. But in a short time McKinnon Industries of St. Catharines will be ready to go into production.

When they are, the Government will be advised and the Customs will in turn, advise all manufacturers that at a certain date, fuel pumps will be removed from the free list.

Other parts taken off the free list recently include hydraulic bumper jacks; front axles for trucks of a certain capacity.

Conversely, as the free list gets shorter the Canadian parts industry and the auto manufacturing industry itself becomes bigger. The Government hopes the restriction program will accelerate this development.

Over the years, by supplying more and more parts for the Oshawa and Windsor assembly lines, the Canadian parts industry has grown into lusty manhood.

In 1935 it was an industrial adolescent: 82 plants, producing $32 millions worth of parts.

In 1947, it was a husky youth: 113 plants producing an estimated $200 million worth of parts.

Through its long-range economic program, Ottawa hopes to stimulate the growth of this already lusty young industry into full-fledged industrial maturity.

Parts Makers Stand to Gain Most

As a group, the parts people stand to gain the most out of Ottawa's proposals that the auto industry produce more components in Canada—a proposal backed by import controls.

For them, any economic development such as the Government has in mind, means more business. It means a higher Canadian content in our cars.

Why then, did they agree (temporarily) to the automakers' request for a lowering (effective Jan. 1) of the Canadian content of Dominion-made cars from 65% to 50%?

In view of this, what's the reasoning behind their opposition to doing away with the content requirement altogether, as the manufacturers would like?

In the first place, say the parts people, the lower Canadian content requirement, will not mean any actual physical reduction in unit volume; merely in the manufacturer's cost of production.

Canadian-made cars will still be about 70% Canadian made, in terms of physical content. But because the cost of American parts, which must be imported to make cars in Canada, have risen higher and faster than Canadian, the old 65% cost requirement has been thrown out of balance.

U. S. Prices up 103%

For example: the over-all price increase of the Empire content is 39.21% over 1939, compared with 103.75% for U. S. content. Thus every $100 worth of Canadian parts in a car before the war now costs $139, while the same amount of U. S. parts costs over $200.

This differential shows up graphically in the price of Canadian and American cars. Before the war, a Canadian Chevrolet before taxes cost 30% more than the U. S. equivalent. Today the spread is down to 14%.

However, when compared with taxes, including the new excise levy, this gain goes whistling out the window. With taxes, the same car costs 35% more than the American version. Before the war it was 35.5%. Before the new Excise tax, it was down to 21%.

This is offered as one reason for the downward adjustment. The other is that supply conditions are still unstable. Manufacturers still have to get parts and materials when and where they can, irrespective of price and origin.

Therefore, says the parts industry, until auto manufacturers are able to accurately determine in advance (the industry plans at least nine months ahead) what percentage of content can be maintained over a year's production, they should not be held rigidly to the 65% requirement.

For these reasons, they agreed to the lower percentage; but only temporarily. When conditions are more stable, they want the whole matter reconsidered on a permenant and higher percentage basis.

Want Some Content Requirement

When it comes to doing away with content requirement altogether, the parts people stand firm against the manufacturers. Briefly, this is what they are saying:

Canada's auto industry exists today in its present form because of its close relationship with the U. S. industry. This is why Canada is second to the U. S. on the list of low-cost auto producers.

This could not have been achieved except through the policy of producing American-designed cars. This spread the tremendous cost of design and engineering and production over the total U. S. and Canadian production (3% of U. S. before the war).

As a result, Canadian industry became largely a branch plant or the equivalent with final authority vested with parent companies. It was natural under this circumstance, that auto-making in Canada without adequate content requirement should be, in the early days, mainly an assembly job.

Since then a large independent parts industry has grown up. Its development was accelerated by the introduction of the 65% content requirement in 1937. This provided that this much of an auto manufacturer's cost of production must be incurred in the British Empire before certain American parts could be brought in duty free. (See accompanying table for an itemized duty-free list.)

From 1937 until it was suspended by order-in-council during the war, the Canadian content was 65% for firms producing 15,000 units or more; 40% for firms producing under 15,000. This expired Dec. 31 and the content requirements was reimposed, but at 50%. The requirement for under 15,000 units remains at 40%. The industry asked for 33⅓%.

Means Maximum Economic Employment

The parts people hold that this requirement, set on an economic basis, is the only permanent assurance the Canadian people have that the auto industry will continue to provide a maximum of economic employment.

Also, it is claimed to be the best guarantee of continuing maximum operation of Canadian plants or U. S. branch plants, either making cars or parts. Another factor too, is the dependence of other industries, particularly steel and metal working.

Furthermore, the time is coming when manufacturers are going to be looking for work instead of the other way around. The supply picture is getting better every day. Without an adequately high content requirement, it is quite within reason, that much of the work now being done in Canada might be switched to the United States.

Certainly, the parts industry says it will be difficult to encourage investment of new machinery. With too low a content there would be no incentive for several U. S. firms to proceed with plans for Canadian plants.

They hold that tariff protection is not enough at present, without the content requirement, to insure a maximum of economic production. But together, they have prodded purchasing agents into foregoing the line of least resistance and to search out and develop new sources of supply in Canada, even at the expense of parent plants in the U. S.

To do away with this requirement would jeopardize the jobs of thousands of workers, the parts men say. Furthermore, it would be a complete negation of the very thing the Government is trying to do—balance dollar imports with exports.

Why can't we Make More Here

The Government has made no bones about the fact that the auto industry is the guinea pig in the search for a workable formula for applying dollar-saving quotas. Unofficially, Ottawa has indicated that before general restrictions are applied, they want to see how the "dollar allotment" scheme works out in the auto industry (The Financial Post, Jan. 17, 24).

Auto Industry Singled Out

Why was this one industry singled out? Here are some of the chief reasons, as seen by people in the industry and in government:

1. Canadian-made automobiles have one of the highest American contents of any high-volume manufactured product.

2. A desire to accelerate Canadianization of the industry to the economic limit by making in Canada many parts now imported free of duty because they are "of a class and kind not made in Canada."

3. The auto industry needed almost twice as many American dollars to buy parts in 1947 as it did in 1946. Estimated 1947 imports of parts only: $114 millions; 1946, $69.4 millions.

4. Despite its size, the auto industry is perhaps the easiest for the Government to deal with: it has but three major producers, thus simplifying to a degree the highly complex task of controlling imports.

5. The dependence of some Canadian industries on American parent firms or American suppliers is very marked in automaking. In referring to the "branch plant" mentality, Finance Minister Abbott has made special mention of the auto industry.

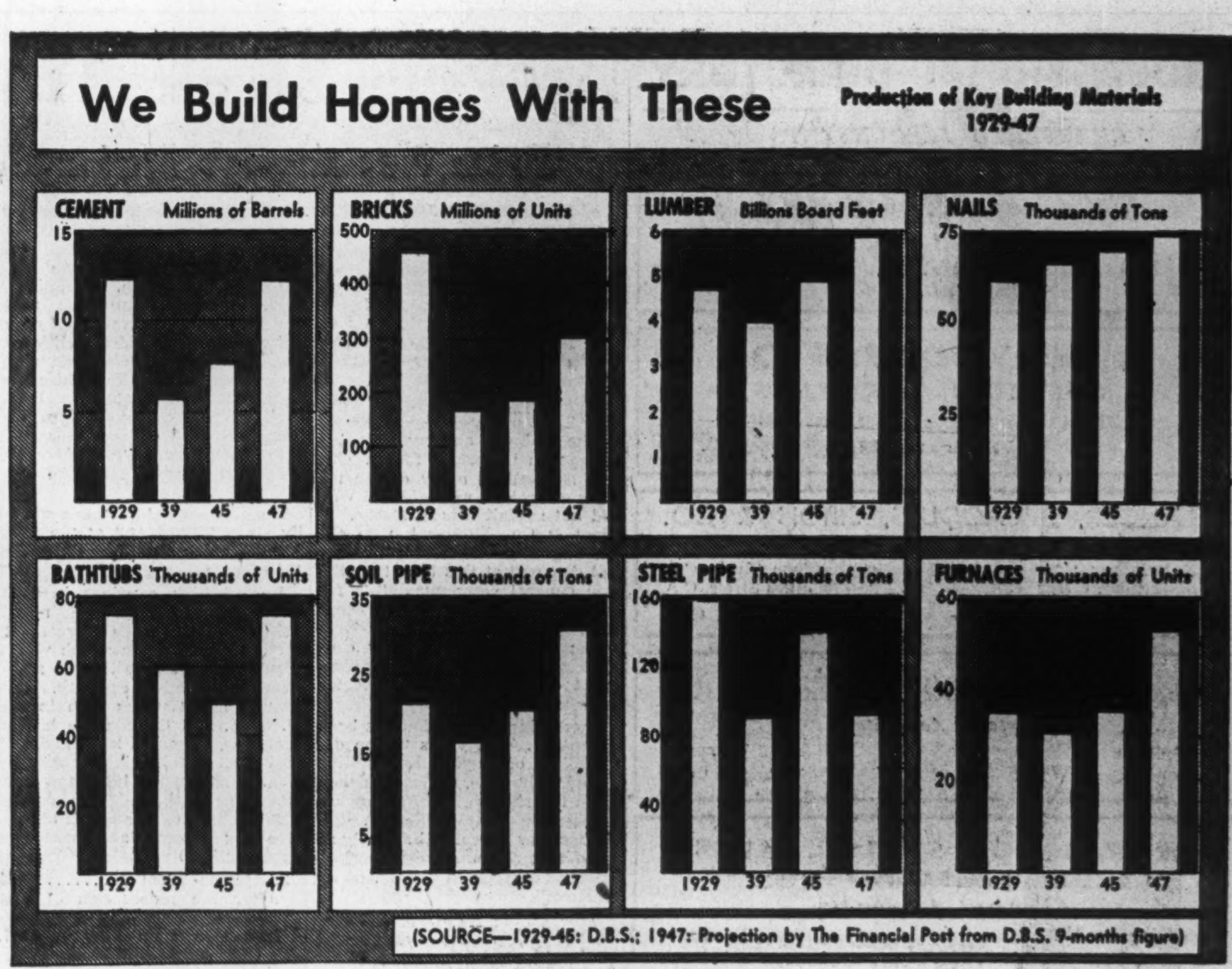
These are the key factors in both the short and long-range aspects of the whole dollar-balancing program. Even if the exchange situation clears up shortly and import controls are lifted, the Government appears to be determined to press for a better balance in industries such as auto-making.

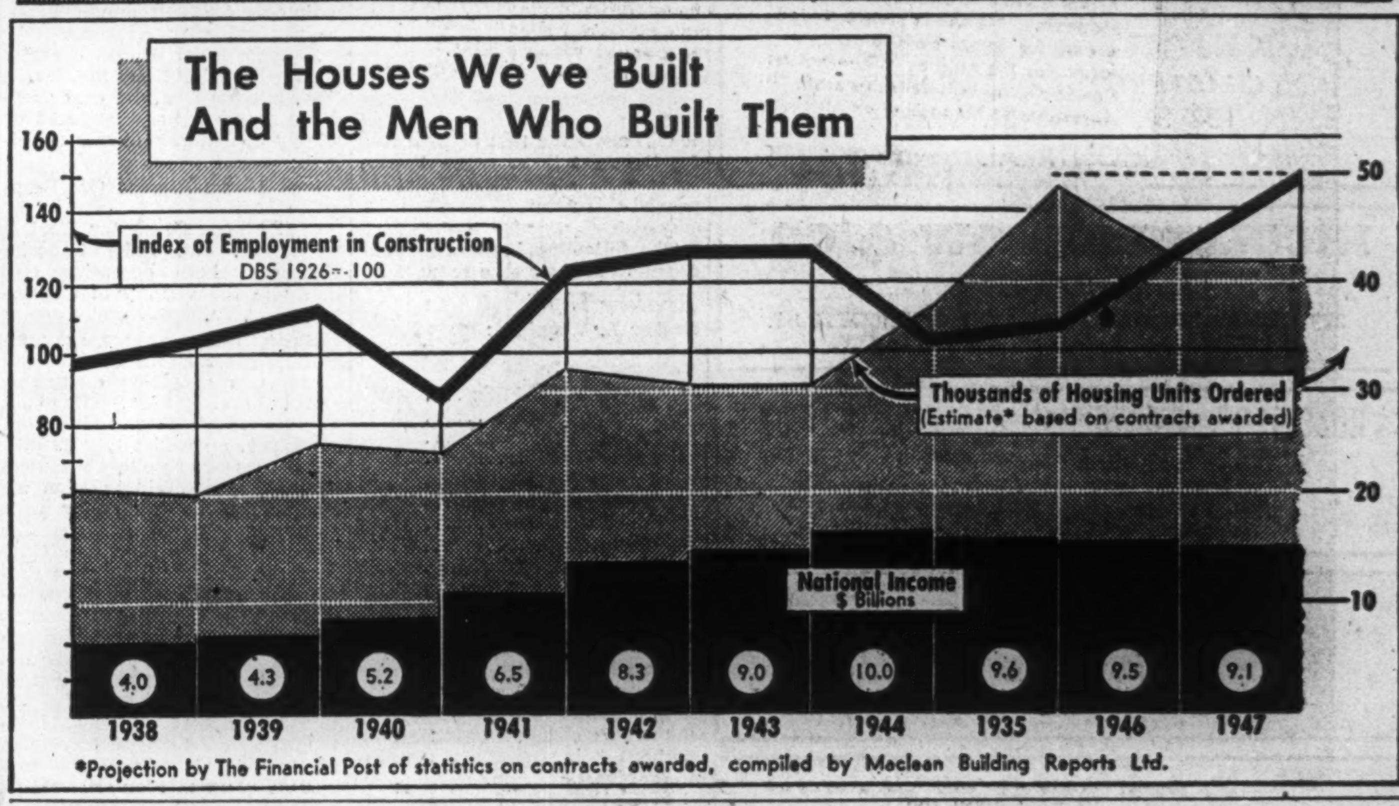
These Come In Free

Last year, the Canadian automobile industry spent well over $100 millions in the United States on parts and accessories for Canadian cars. Roughly half came in duty free, meaning of a "class or kind not made in Canada."

Here are some of the 100 or more easily recognized items; body panels, hoods, fenders and instrument boards; clutch releases; chassis frames; headlight lenses; ammeters, armrests, unfinished rear axle housings; cigarette lighters; speedometers; universal joint ball assemblies; voltage control regulators, windshield wipers.

Chrome body mouldings; horns, gasoline, oil and heat gauges; steering gear and steering wheels; oil and air filters; all radiator parts except cores; sun visors, thermostats; throttle, spark and choke assemblies; defrosters.





Will '48 Be Builders' Big Year?

Optimism Growing as Material, Labor Pictures Brighten

What are the prospects for house building this year? Will supplies of nails, cement, lumber, bricks and other building material finally catch up with demand? How about labor? Will demand for new homes hold up?

Last week, some light was beamed on these important and controversial questions from two sources: Trade Minister Howe and Central Mortgage and Housing Corp.

Before a debating group in Toronto's Hart House, Howe claimed 78,000 houses were completed in 1947, and suggested 100,000 might be finished in 1948.

The industry is a bit sceptical. They're afraid Mr. Howe is counting his houses before they're built. But they agree more will be built this year. How many more is something else.

This year, construction rate will likely depend more on demand than materials. At the moment it looks as if demand will hold up and exceed house building capacity.

The second source of illumination, Central Mortgage's publication, "Housing in Canada," throws some light on the other factors of materials and labor. This makes it fairly clear that most material bottlenecks and to a lesser degree, many labor shortages, have been broken.

The survey shows that production of most key building materials (see chart above) already exceeds, or is abreast of, previous peak volume reached in the '20s.

In some cases, such as nails, lumber, pipe and furnaces, production is already soaring above all previous levels: lumber is up 40% over the 1929 peak; nails are being snipped off at a rate of 75,000 tons a year, 9% less than the 1941 wartime high but 14% over the previous peacetime record.

Cement production, for example—builders use it almost exclusively in foundations, whether as concrete blocks from a factory or concrete poured on the site—in 1947 almost exactly equalled the 1929 production record of 12.3 million barrels; in 1948 almost surely will exceed that volume by at least 10%, makers report.

Brick, like steel pipe, has disappointed. In spite of expansion in brick capacity in the Maritimes, Quebec, Ontario and Saskatchewan, this building essential seems likely to fall in 1948 at least 25% short of 1929's peak output of 458 million units. And steel pipe output probably will continue to fall well below minimum need—production last year, at about 92,000 tons was 42% below peak output in 1941 when shipbuilding made urgent demands for boiler tubes and other marine piping.

As for labor, Canada's army of skilled building workers, though still not large enough for current demand, is bigger than ever before. Over-all statistics show 16% more men at work in the industry today than ever before.

This isn't quite as rosy as it seems, however. Broken down, these statistics show that most of the increased labor force is made up of unskilled or semi-skilled workmen.

Bricklayers, plumbers and other skilled workmen are still at a premium.

This comes down to: Will the old problem of costly shortage remain, though in a slightly different guise? Will an era of premium prices for short materials give way to a period of even costlier bidding for bricklayers, carpenters and plumbers who can and will build efficiently?

The question of whether Canada will build more houses and apartments this year than in 1947 hinges very largely on that subsidiary question—whether or not skilled building labor is going to be available to housebuilders in wanted quantity and quality. And it hinges, too, of course, on effective demand for new houses for sale, plus political pressure from the municipalities for more subsidized federal housebuilding for rent.

Despite this, the outlook for private construction, thus housebuilding, is better, the industry feels, than at any time since 1928.

Will King Really Quit This Year?

Here's What Those Close to the Liberal Leader Are Saying

By KENNETH R. WILSON

OTTAWA (Staff)—Out of the political double-talk of the past week, the best assumptions that emerge are these:

1. That W. L. M. King will resign as Leader of the Liberal Party and as Prime Minister.

2. That the two contenders for office will be Rt. Hon. Louis St. Laurent and Rt. Hon. James Gardiner.

3. That Mr. St. Laurent will be overwhelmingly elected to the leadership of the Liberal party and will be the next Prime Minister of Canada.

Anyone who knows Mr. King or who has read and studied his "valedictory" speech of Jan. 20, will recognize the hazard of emphatic prediction. But those closely associated with the Prime Minister size the situation this way:

"Mr. King's present intention is to quit. He'd like to have his colleagues and followers persuade him to stay, but if they did, he wouldn't accept. Put bluntly, he is at the stage in life when he dotes on compliments and he'd like to feel that he is still both wanted and needed as a leader.

"But Mr. King has never forgotten the memorable incident in 1939 when he made a commitment to the late Dr. Manion that there would be no election without another session of Parliament. Because of that commitment and Mr. King's subsequent decision to go to the country immediately, it became necessary to call the extraordinary session of Parliament on Jan. 25, 1940—a session which lasted just three hours. This memorable incident, added to Mr. King's well-known propensity for fence-sitting, ensured that never again would he make an unnecessarily firm decision about some event in the unpredictable future."

St. Laurent the "Boss?"

But shrewd observers of the Ottawa political scene are in little doubts as to what they think is likely to happen.

They sense that Mr. St. Laurent has shown himself the "boss" in a dozen ways during the past year. They claim many instances where the cautious instincts of Mr. King have been in effect overruled by Mr. St. Laurent. Inaction has been replaced by action, as the more aggressive Minister of External Affairs has firmly but successfully won the support of the cabinet to policies which were not personally popular with Mr. King.

The most recent example was the "Korean affair" where a direct conflict of view arose as to what Canada's stand should be respecting the appointment of a Canadian member to the UN temporary Commission on Korea. Mr. Ilsley, as Canada's delegate at Lake Success, supported the U. S. request for such a Commission. Mr. King on his return from Britain is said to have opposed it. Mr. St. Laurent presumably supported Mr. Ilsley. In the result, a Canadian, George Patterson, was named a Canadian member to the Commission. For good or ill, the more assertive line taken by both Mr. Ilsley and Mr. St. Laurent prevailed over the views of the PM.

What If Ranks Split?

One faint possibility which it is argued might cause Mr. King to change his mind later this year, would be a split in the Liberal ranks over the candidacy of Messrs. St. Laurent and Gardiner. If any considerable opposition rose within Liberal ranks to the naming of Mr. St. Laurent and this opposition were to put its votes on Mr. Gardiner, it is then quite possible that Mr. St. Laurent might withdraw and that Mr. King might return to the leadership rather than let the mantle pass to his Minister of Agriculture.

Recently at Winnipeg, Mr. St. Laurent announced his readiness to accept the party leadership if it were offered him and "if it would further, rather than hamper national unity." He added: "I should not want to be the occasion of a split within the party on racial or religious grounds."

So far, Mr. Gardiner has been very reticent about his own willingness to stand. But the view seems to be that he will contest the nomination.

The recent appointment of Rt. Hon. C. D. Howe, as Minister of Trade and Commerce and therefore head of the Wheat Board and wheat marketing policy has obviously been a very considerable blow to Mr. Gardiner's prestige and position. The naming of Mr. Howe by Mr. King puts one of the strongest members of the cabinet in a key position respecting wheat—something that hasn't happened to Mr. Gardiner for many a long year. This is a highlight of the recent cabinet shuffle which so far has been largely overlooked.

At mid-week, Liberal Federation officials were still wrestling with a final decision on the place and timing of the national convention. First choice is Ottawa and the preferable date early in August. Other alternatives are October and Winnipeg.

If the convention meets in Ottawa in August, it won't be just Mr. King's sentimentality that forced the decision. Because of the influence of rural votes and farm habits, a national convention of this sort is best called either between haying and harvest (August) or after harvest (October). The same considerations prevail today as governed the decision of 1919. Thus a 1948 convention in August would coincide with the famous King convention of 1919 chiefly because of all-round convenience to the delegates themselves.

Similarly with the choice of Ottawa as a meeting-place. There are, of course, sentimental reasons for holding it in and about the King stamping ground. But there is also the practical weight of geography which favors a central rather than a western location, so far as the bulk of the delegates are concerned.

Actually, Ottawa in August is not a very satisfactory choice from several points of view. First, it is liable to be very hot. Also it comes right smack into the heart of the tourist season when Canada's capital would normally be filled to overflowing with eagerly sought tourists—mostly from the U.S.A. More accommodation would be much easier in Winnipeg or at either city in October.

Who Votes in These Conventions?

In 1919, on the fifth ballot, 476 votes were cast for King and 438 votes for Fielding. A total of 914. There should be more at the 1948 convention, partly because of larger representation in the House of Commons, partly because of fluctuation in the number of provincial delegates. There are also more Liberal Senators than in 1919.

Delegates include all Liberal senators and members of parliament, plus three delegates from each federal constituency. There is also representation from provincial Liberal organizations. The pattern for that representation is yet to be worked out. Very roughly, it will probably be about 25% of the number of seats in the provincial legislatures.

In the Federal Cabinet, the important factor is that most of the members are expected to come down on the side of Mr. St. Laurent.

Leaders like Mr. Howe who might be expected to have leadership aspirations of their own have made it clear to friends and supporters that they are not interested. It is reported that Mr. Howe has turned down emphatically a move by some of his influential business friends to start a "Howe For Prime Minister" boom.

The other senior member, Mr. Ilsley, though he would doubtless be flattered by a nomination (and may be accorded one by his Maritime supporters) is not seriously interested and would also support Mr. St. Laurent.

So too, with the three most prominent younger cabinet members—Abbott, Claxton and Martin. These three will undoubtedly be contenders for the next Liberal nomination but not so long as Mr. St. Laurent is in the field.

In short, if Mr. Gardiner decides not to contest the nomination and supports Mr. St. Laurent, then the matter would become little more than a formality. It would be all over but the shouting.

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Brokers Stress Timing of Investments

Price Not Always Major Factor, Reply to Post Survey

By JAMES H. JOYCE

Which Canadian stocks do you consider the best to hold over the next three years?

This week The Financial Post publishes the final set of the answers of Canadian brokers to The Post's survey. In following weeks there will be an analysis of the "most popular" stocks, starting with Consolidated Mining & Smelting Co. of Canada.

The timing of any investment is always an important factor. This was stressed in many of the replies of brokers who did and who did not submit lists of stocks. R. Moat & Co., Montreal, who did not submit a list, stated: "We are not disposed at this time to make any general recommendation for purchase of common stocks, other than on a strictly short-term basis; and then only after considering the position and requirement of the individual investor concerned.",

Increasing recognition has been given in recent years to the desirability of buying and selling at the right time, as distinguished from the right price. As a result, forecasting of the major market swings now appear to be nearly as important as the selection of the particular stock in the art of investment.

One of the following firms — broker M., Toronto — has seven of its 10 stocks included in the 20 "most popular" stocks. None of the following firms has less than two of the "most popular" stocks on its list.

Just because a stock is popular, it does not necessarily follow that it will show the best price record for the next three years. Experience with other stock lists has proved this point.

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The following brokers are anonymous at their own requqest.

Broker L

Broker L, Winnipeg:

	PRICE $
1. Ogilvie Flour Mills	26¾
2. Canada Packers	37½
3. Canadian Celanese	62
4. Imperial Oil	14¼
5. British American Oil..	22½
6. Canadian Breweries ...	23¼
7. Imperial Tobacco	13⅞
8. Moore Corp.	73
9. Ford Motor of Canada .	22¼
10. Minn. & Ont. Paper ...	23

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Broker M

Broker M, Toronto:

In my opinion three years is too long a period in these times during which stocks should be held without being carefully scrutinized at least every six months.

In the list which I have suggested, I consider the management of the companies to be very high-class, and in the case of Aluminium, Canadian Industries and the paper stocks, I feel that with the enormous strides being made in chemistry, these companies are relatively only in their infancy. The following is the list:

	PRICE $
1. Aluminium Ltd.	215
2. Canadian Industries ..	22½
3. Price Bros.	67¼
4. Great Lakes Paper	19
5. Minn. & Ont. Paper	23
6. Walker-Gooderham ...	25⅞
7. Canadian Celanese	62
8. Famous Players Can. ..	17½
9. Moore Corp.	73
10. Consolidated Smelters	96

• • •

Broker N

Broker N, Winnipeg:

	PRICE $
1. Macassa	3.10
2. San Antonio	4.20
3. Ventures	7.30
4. Royal Bank of Canada .	24¾
5. Can. Fire Insurance ...	19½
6. Simpsons "B"	22
7. Traders' Building Ass'n	81½
8. Northern Trusts	17½
9. Bell Telephone	169½
10. Imperial Oil	14¼

• • •

Broker O

Broker O, Montreal:

	PRICE $
1. Aluminium Ltd.	215
2. Bell Telephone	169½
3. Building Products	28¼
4. Consol. Smelters	96
5. Consol. Paper	18½
6. Dom. Engineering Wks.	42
7. Gypsum, Lime & Ala. ..	15½
8. Imperial Oil	14¼
9. Inter. Paper	58
10. Shawinigan Power	21½

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Broker P

Broker P, Toronto:

	PRICE $
1. Walker-Gooderham ..	25⅞
2. Bell Telephone	169½
3. Canadian Industries ...	22½
4. Can. Northern Power .	12¼
5. Winnipeg Electric	19¾
6. Great Lakes Paper	19
7. Inter. Paper	58
8. Abitibi Power	17½
9. Algoma Steel	54
10. Building Products	28¼

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G. H. Rennie

G. H. Rennie & Co., Toronto:

In making these following selections, we have given thought, not only to the basic security, but to prospective growth.

1. Consolidated Smelters .. $96

Consolidated Smelters is one of the world's largest producers of lead and zinc and the chief Canadian silver producer. Largest lead-zinc mine in the world is the company's low-cost Sullivan mine. By-products include tin, antimony, bismuth, cadmium, gold, ammonia, sulphuric acid and fertilizer. Ore treatment on a customs basis provides additional revenue. Several gold producing properties in the Yellowknife are held, notably the Con mine. During 1946 ore reserves were increased by 3.3 million tons and are greater than in 1940 when an estimated 20 years' supply of ore was indicated.

Working capital has been steadily strengthened and at the 1946 year end was over four times the 1940 figure.

Record high earnings in 1946 were due to improved metal prices and the large increase in fertilizer production which was a result of the acquisition of additional productive capacity. Although metal prices both in the U. S. A. and Canada are higher this year, increased labor and fuel cost must be taken into consideration. Earnings for 1947, however, should be in the neighborhood of $12 a share. (The stock is attractive for income and moderate appreciation.)

2. Algoma Steel $54

After the redemption of first mortgage bonds and 5% Preferred shares on May 1, 1947, out of working capital, there remain only 412,700 common shares, no par value, outstanding.

Algoma Steel Corp. operates the steel plant at Sault Ste. Marie, Ont., but the iron and coal properties are owned and operated by wholly owned subsidiaries as follows:

Iron Mines: Algoma Ore Properties Ltd.

Coal Mines: Cannelton Coal & Coke Co., and Lake Superior Coal Co., both operating coal mines in the vicinity of Cannelton, West Va.

During the war years, approximately $40 millions or $100 per share, was spent on expanding and improving the Sault plant. The company's share of this expenditure, approximately $9 millions was largely recouped through special depreciation allowances while the major part, approximately $31 millions was financed by the Dominion Government. The facilities thus provided form an integral and necessary part of the present plant at the Sault and comprise the following major plant additions: No. 5 blast furnace of 1,000 gross tons daily capacity (largest in the British Empire) and rehabilitation of an old furnace, increasing pig iron capacity by 450,000 tons annually; installation of a 44-in. blooming mill and 25-in. continuous billet mill, increasing rolling capacity by 250,000 tons annually; 86 modern Koppers ovens, increasing coking capacity by 1,400 net tons of coke daily.

It is significant that the company, in its brief to the Board of Transport Commissioners on the present railway freight enquiry, estimate the total gross investment in the Sault plant at over $100 millions or about $250 per share.

Algoma Steel Corp. is the largest importer of coal in Canada, its requirements this year being in excess of 1,500,000 net tons, a large part of which is supplied by the company's own subsidiaries in West Viriginia, which have an annual output of over 1,200,000 tons. A new mine, the Lady Dunn, incorporating the most modern labor-saving machinery, was recently opened in West Virginia.

The company's iron ore requirements this year will also exceed 1,500,000 gross tons and all but about 100,000 tons of Algoma sinter supplied by its subsidiary, Algoma Ore Properties Ltd., will be imported from Lake Superior Mines in the United States.

Within the last 10 years, the company, through its subsidiary, Algoma Ore Properties Ltd., had developed an iron ore mining enterprise, on a major scale in the Michipicoten area some 120 miles north of Sault St. Marie, and through extensive exploration, has made iron discoveries in the Algoma area which will probably prove of tremendous consequence to the future of the company and the steel industry of this continent, although their importance is not as yet generally recognized.

The company has announced that the ore reserves of the Helen and Victoria Mines combined are in excess of 100 million tons.

3. Dom. Foundries & Steel $29¼

The operations of the company to date have been on a full production schedule and demand for the company's products still far exceeds the supply, with no sign of slackening.

Pig iron and scraps are still very scarce, but the company has obtained sufficient supply to carry on operations.

Installation of new equipment and construction of a new continuous tinning line are being delayed by inability to obtain the necessary raw materials.

This company engages in the manufacture of steel plates, steel castings and forgings, hot and cold rolled strip, tin plate, steel castings for locomotives, etc. The completion of a new cold roll mill at an estimated cost of $1,200,000 was effected during 1945. Placed on full production in December, 1945, January and February production was very satisfactory and approached planned capacity. Full payment covering the cost of this installation was made in 1945.

Demand for commercial steels and a well-filled order book suggest that the company will carry on relative to the general business of Canada along with some export trade. The company now makes over 50% of the tin plate used in Canada.

Model relations between management and employees exist in this company and their highly successful Employees' Profit Sharing plan will play a great part in the future affairs of this company.

4. Walker-Gooderham ... $25⅞

The record of earnings per common share by this company merits the attention of the investor looking toward the future.

The company has grown rapidly in the past few years and now occupies a very prominent position in the world liquor industry.

They operate at Peoria, Illinois, the largest and most modern distillery in the world with a daily capacity of 100,000 U. S. gallons.

5. Consol. Paper $18½

This company is the second largest newsprint producer in Canada, owning and operating four paper mill divisions, and a sawmill division with approximate annual capacities as follows: newsprint 650,000 tons; kraft paper 48,000 tons, kraft pulp 24,000 tons; sulphide pulp 50,000 tons and cardboard 15,000 tons. Production also includes sawn lumber (white and red pine) and various materials including plastics. The United States is the largest buyer, taking 50% of the total production. The rest of the output is used largely in Canada, a small amount being exported to other countries.

The large funded debt has been reduced by $16.5 millions since 1939 and working capital has been increased by about $17.5 millions, but the level fell in 1946 as a result of higher taxes, dividends, and the refunding of $7 millions of the old 5½% bonds. In relation to total production Consolidated Paper has the largest timber limits with 35,000 square miles owned, controlled or licensed, of any paper company in Canada. These holdings, and the diversified production of the company increase the long-range possibilities of the stock.

Earnings for the current year may be around $4 per share.

6. General Steel Wares $16

The president has recently stated that this company can detect no condition that would indicate a serious decline in its operations for some time to come.

Demands for its products is unprecedented, with its plants in Toronto, London, Montreal, Winnipeg and Vancouver having a combined floor area in excess of 50 acres.

The company engages in the manufacture of a wide range of kitchen utensils, hotel and restaurant equipment, stoves, furnaces and air-conditioning systems.

The operating profit for the year ending Dec. 31, 1946 increased to $1,795,494 from $1,398,-251 in the previous year. Net profits increased approximately $200,000 during this period.

7. Famous Players Can. .. $17½

This company is the largest operator of motion picture theatres in Canada, directly or through subsidiaries, owns, leases, controls or holds an interest in 346 theatres, having a total seating capacity of 312,313.

At the present time, the corporation has 21 new theatres under construction.

At the end of 1946 the company showed a surplus of nearly $8 millions which represents an increase of nearly $4 millions since the end of 1940.

Substantial capital appreciation as well as increased dividends may be looked for in the future.

8. George Weston $27

The relatively low capitalization of this company, with its very aggressive management augurs well for the future.

The policy of the company to expand in fields which provide outlets for their merchandise will continue to reflect increased earnings and it is believed that future earnings will be on a steadily improving basis.

9. Can. Pacific Railway ... $13⅛

With fixed charges around the $18 millions mark, which represents an amount more than $8 millions below the 1938 peak, it would appear that for a long pull, shares in the Canadian Pacific Railway Co. are very attractive at present levels.

Income from sources outside the actual railway operations are substantially in excess of fixed charges.

The major interest of the company in the Consolidated Mining & Smelting Co. of Canada, will provide substantial revenue in the future.

The total assets amounted at the end of 1946 to $1,622,445,668 which represented an increase of $16,550,036 during the year.

10. Canadian Celanese $62

This company owns the sole rights for Canada to the Dreyfus patents for the manufacture of cellulose acetate, artificial silk, chemicals, fabrics, etc., and the Canadian rights to all products which may in the future be developed by the research organization of all the Celanese companies. Construction of the new plant at Sorel is proceeding; this plant will manufacture yarns spun from staple produced at the Drummondville plant. Expansion of the latter plant has put the company in a position to supply acetate staple for the entire Canadian mills' demand for this product.

About $3 millions is expected to be spent this year on the expansion program. Working capital is strong and the earnings' record is good.

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R. Moat & Co.

R. Moat & Co., Montreal:

In view of the inflated commodity prices level, the continuing decline in high-grade bond prices, the high break-even point in industry, and the declining ability on the part of individuals in spite of abnormally high wages to maintain reserve buying power, we are not disposed at this time to make any general recommendations for the purchase of common stocks, other than on a strictly short-term basis, and then only after considering the position and requirements of the individual investor concerned.

It is our belief that continuing high costs, many of which are of an almost uncontrollable nature, coupled with increasing buyers' resistance, are destined sooner or later to bring about a narrowing margin of profit and provide to investors a buying opportunity which will be worth waiting for.

Million Accident-free Hours, Courtaulds Title

MONTREAL (Staff) — One million continuous accident-free hours won for employees of Courtaulds (Can.) Cornwall plant the Gold Seal from the Industrial Accident Prevention Association. This award, which will be attached to the Certificate of Merit already in their possession, is the result of intensive work of the company's safety committee.

Safety measures include signs on walls, floors and other areas indicating danger spots, and assuring passage of workers through halls at maximum speed and safety. Since the award, the company has passed the million-and-a-quarter mark, and is now aiming for two million accident-free hours.

LAKE SHORE MINES bullion production totalled $1,142,303 from handling 74,200 tons of ore averaging $15.39 gold per ton in three months ended Dec. 31 ($1,123,431 from 79,978 tons treated and $14.04 gold in previous three months.

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BERMUDA, of course, is in the sterling area. Therefore, Canadians are allowed ample time and funds for vacations on these semi-tropical isles.

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BEAULIEU YELLOWKNIFE MINES advises that option agreement to Torny Financial Corp. on 100,000 shares at 30 cents has been converted into an underwriting on same number of shares at 15 cents, payable forthwith. Upon issue of these shares issued capital will be 4,550,000 shares.

LARDER "U" ISLAND MINES has sold 200,000 shares at 5 cents a share to Cooper & Co., Toronto. Issued capital—3,661,405 shares.

GOLDVUE MINES has received payment for Jan. 14 underwriting on 50,000 shares at 25 cents a share. Issued capital is 3,212,005 shares.

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TORONTO

Eyeing Quebec Mtl. Tramways Defers Boost

MONTREAL (Staff) — An increase in fares for Montreal Tramway travellers has been postponed until early February at least.

One reason, it is said, is to await legislation announced by Premier Duplessis to set up an arbitration board. Also the city desires more time to study the figures presented by the tramways commission in support of higher fares.

At present there appears to be some doubt as to the effect of the Duplessis legislation. A city spokesman reportedly is of the opinion that the proposed arbitration board might never be set up unless the ruling of the Tramways Commission is appealed. J. O. Asselin, Chairman of the City Executive Committee, suggested at this week's meeting that the city may not appeal the Commission ruling, if it were satisfied that an increase in fares is inevitable, Mr. Asselin was said to be of the opinion that unless the city launched an appeal, the effect of the provincial legislation on the case would be nil.

According to a report prepared by Surveyer, Nenniger and Chenevert, consulting engineers, Montreal Tramways Co. will incur a deficit of approximately $1.5 millions in the first quarter of 1948 if fares are not raised before that time; this sum, added to the accumulated deficit of $5.5 millions at the end of 1947, will make a total deficit of $7 millions as of March 31, 1948.

An important point in the increased fare discussion is raised in the report when it states that the accumulated deficit should be amortized before the first optional date of contract (between Montreal Tramways and the city) termination in 1953. This, in part, is the reason for the urgency in raising fares at this time, it is stated.

M'Arthur Chem Offers Pref.

MONTREAL (Staff) — An offering of 12,500 preferred shares of McArthur Chemical Co. has been announced by G. E. Leslie & Co. The 5% cumulative sinking fund redeemable preferred shares, par $20, are being offered at $19 to yield about 5.26%. Each preferred share will carry a bonus of 2/5 of a common share. Prospectus does not state the purpose of the issue.

McArthur Chemical Co. distributes chemical extracts to the tanning and textile trades, and packages chemicals sold under its trade mark "Macco." Sales offices in Toronto and Montreal serve more than 4,000 customers in the tanning, dyeing, pharmaceutical, textile and soap industries, it is stated. Fur dressers, laundering and dry cleaners' items are also important, it is stated.

After the new issue, capitalization will consist of $320,000 authorized 5% cumulative shares, $250,000 outstanding, and 40[illegible]0 common shares n.p.v., all outstanding.

According to the covering prospectus, average net profits available for dividends for the 10 years ending Dec. 31, 1946, were $19,377. For the first 10 months of 1947 earnings were equivalent to $3.59 on each preferred share; Earnings in 1947 are said to be running at the annual rate of $1.03 a common share after providing for preferred dividends.

Current assets as at Oct. 31, 1947, according to the proforma balance sheet were $442,987, against liabilities of $190,429. Net current assets were over $18.50 per preferred share. It is stated that 1947 sales were running at a rate of approximately 15 times the inventory book value at Oct. 31, 1947.

B.C. Production Hits New Peak

From Our Own Correspondent

VANCOUVER—British Columbia's basic industries reached a new production peak of approximately 475 millions last year, an increase of 75 millions over 1946.

Comparative figures are:

	1946	1947
Forest	..$173,500,000	$200,000,000
Agricul.	112,000,000	116,000,000
Mining .	70,250,000	109,000,000
Fishing .	43,800,000	50,000,000
Totals	..$399,550,000	$475,000,000

The increase, of course, reflects the general rise in prices, but in most cases the unit volume of production is also up.

Logging, the province's major industry made enormous strides last year. Forestry officials report that the cut by the end of July was 700 million f.b.m. over the same period of 1946. For the rest of the year they predict that the cut will be even beyond this figure and will bring the dollar value to at least $200 millions.

Dominion Coal Co. reports coal production for December was 340,191 tons. Total for the year was 2,526,208 tons compared with 3,292,359 in 1946.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Wife Gets Bonus

I was married in January, 1947, and my wife, who had previously been employed, received from her employers a gift of $500 in recognition of past services. Her regular earnings in 1947 before her marriage totalled $126. How does her gift affect us both for income?

The gift, in recognition of previous services, would normally be considered income and liable to tax. There are two options open for the payment of tax under such circumstances. But in your wife's case, her total earnings of $626 are less than $750. Consequently, she has no income tax to pay. But your own income tax will be affected. Under the new regulations, your exemption as a married man must be reduced by the excess in your wife's income over $250. Your wife's income in 1947 exceeded $250 by $376. Accordingly you will have to deduct $376 from your married man's exemption of $1,500 leaving your exemption for the year at $1,124.

INVESTMENTS

Robert Mitchell Co.

What is the outlook for resumption of dividend payments by Robert Mitchell Co?

It is not known when this company will declare its next dividend. Deferment of dividends was announced in Dec., 1946, and the latest payment was $1 a share on June 15, 1946. The company has stated that deferment of dividends was necessary to conserve working capital during the period when the company was switching from wartime to peacetime production and sales of its postwar line of goods were further advanced. It is understood production at company's plants is being well maintained.

At a recent meeting of the directors it was officially announced that the company's appeal to the Board of Referees under the Excess Profits Tax Act had been allowed. With the return of net amounts due the company under this new standard profit basis, the working capital of the company will be substantially increased. Whether this will improve the company's financial position to a point where dividends can be reinstated, is not yet known.

This company was faced with a very large postwar job of switching from a wartime to peacetime basis. The new lines of production taken on have necessitated conservation of working capital which, it is believed, is the chief reason for deferment of dividend payments. The company has a diversified line of production, which may prove an important factor over the long term.

Big Long Lac

Can you give me some idea of the holdings of Big Long Lac Gold Mines, and present market value of shares?

Big Long Lac's property in the Long Lac area has been inactive for some years and, as far as we know, there are no immediate plans for resuming work at this time. In addition to the 18 mining claims, company holds unstated share interest in Thompson-Lundmark Gold Mines and shareholdings in other companies. We have been unable to obtain a market value for shares.

Dow Theory

Can you give me some information on the principles of the Dow Theory?

Benjamin Graham & David L. Dodd in a note in their book "Security Analysis" state that the principal tenets of the Dow Theory are:

(1) There are three types of fluctuations manifested by the averages:

(a) Primary movements, which are broad, basic trends of bull or bear variety, extending over periods of less than a year to several years. Correct determination of such movements is the major objective of Dow theorists.

(b) Secondary movements, lasting from three weeks to several, months but running counter to the primary trend.

(c) Day-to-day fluctuations in either direction, of minor character and of slight significance, except in determining whether or not "lines" are being formed. They must be charted and studied, however, since they make up the longer term movements.

(2) The industrial and railroad averages must corroborate each other if reliable inferences are to be drawn concerning the nature of the movement under way. Although, generally speaking, a bull market is one in which succeeding highs in each average exceed the preceding highs, and successive lows are higher than the preceding lows (and conversely for bear markets) each type of major movement is subject to interruption by countermovements of a secondary character. These secondary movements are supposed generally to retrace from a third to two-thirds of the primary price change in the averages, since the preceding secondary movement terminated. It is apparent that the problem of determining from day to day or week to week, whether a movement apparently under way is a secondary one or a reversal of a major trend, presents a difficult task.

(3) When movements of several weeks or longer are confined in both averages to a range of about 50%, a "line" is said to have been formed, suggesting either accumulation or distribution. If both averages break out above the line simultaneously, accumulation is deducted therefrom, and higher prices predicted. If the average break out below the line simultaneously, the reverse conclusions are deduced. If one average breaks through a line without being confirmed by similar action by the other, the indication is negative in character.

(4) An overbought market becomes dull on rallies and active on declines; and oversold markets are dull on declines and active on rallies. Large volume characterizes termination of a bull market; and bull markets begin with light trading.

(5) Active stocks tend to move in consonance with the averages; but individual issues may reflect conditions peculiar to them, which will cause deviations from the pattern of the averages.

The foregoing statement of the main tenets of the Dow Theory necessarily does not indicate many important details or the practical manner of operating under the theory.

Trifield Pete

Can you give me some details of holdings of Trifield Petroleum Ltd?

Trifield Petroleums was incorporated last July and has taken over the north half of Section 15-46-1w4 in the Lloydminster Field, Alberta, and 3,520 acres in the Princess field, a section in the south Leduc area and two other sections in the general Leduc area.

The Company has just commenced its financing program as back on Jan. 10, 1.2 million shares were optioned at prices ranging from 7½c to 15c per share. Up until that time, only a modest amount of treasury stock had been sold.

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Junior Investment Men Form Montreal Branch

MONTREAL (Staff) — Young Montreal investment men have formed a junior branch of Investment Dealers Association of Canada. The Montreal branch of the Junior Association expects to have a membership of almost 100.

President of the new group is J. A. S. Penny, of A. E. Ames & Co.; J. P. Guite, Credit Interprovincial Ltee., vice-president; Guy Brunnelle, L. G. Beaubien & Co., secretary; M. C. Bernard, Nesbitt, Thompson & Co., treasurer; Lucien G. Boissonault, W. C. Pitfield & Co., R. W. McKeen, Greenshields & Co., Trenholm Williams, Royal Securities Corp., directors.

DOMINION FOUNDRIES & STEEL, LTD., has installed four 8-ft. 10-in. diam. by 67-ft. tanks for the storage of butane or propane at its Hamilton, Ont., plant and is using liquefied petroleum gas to anneal cold roll strip, heat tin pots, etc., it is reported. Coke oven gas was previously used for this purpose.

The four storage tanks were built by Horton Steel Works at Fort Erie, Ont. They are designed to operate at pressures as high as 200 lb. per sq. in.

At the present time the tanks are used to store butane, which is obtained from the Polymer Corp. at Sarnia, Ont., by tank car. Approximately one tank car is used per day.

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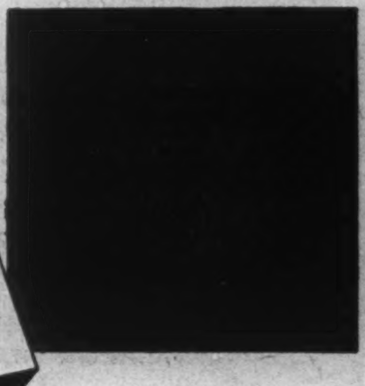

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A very important point, all of us will agree. And the 51st Annual Report of The Imperial Life Assurance Company shows in a very real way the measure of the Company's service. During 1947 The Imperial Life paid to policyholders and beneficiaries $8,052,000. Over the past fifty years benefit payments of $172,000,000 have been made.

"By the safety it offers," say wives and mothers.
To women in particular the security of the family's life assurance is of first importance. It means not just money when needed, but a guarantee that children will be brought up as planned in the warmth and peace of the home. In safekeeping now with The Imperial Life are assets amounting to $146,559,000 held in trust for the future care and protection of over 100,000 policyholders and their loved ones. These assets have been increased during the past year by $8,783,000—an indication of the continuing confidence held by thousands in the security of The Imperial Life.

"By the type of man who calls on me," says the professional man.
Qualified, competent service is a tradition of Imperial Life co-workers, now numbering more than 1,200. Agents and office staffs undergo a thorough course of training. Many representatives hold the degree of Chartered Life Underwriter (C.L.U.). One hundred and twenty-five members have been with the Company a quarter-century or more.

"By the progress the Company is making," say office workers.
An all-time record of $69,553,000 of assurance was purchased through The Imperial Life in 1947. Policyholders take pride in the fact that the assurance now in force in their Company—$486,279,000—is 1⅓ times the total that existed in the whole of Canada *in all companies* at the time The Imperial Life was founded 50 years ago!

Would you like to learn more about "the measurement" of The Imperial Life? The figures quoted were taken from the Annual Report of the Company for 1947. A copy of the complete report will be furnished on request.

IMPERIAL LIFE
Established 1897 Head Office—Toronto, Canada

Life Insurance Company Executives Stress Need of Thrift, Co-operation

The effect of low interest rates on company earnings and individual incomes, the need of greater thrift by the Canadian public in the battle against inflation, and the desirability of greater unity among the people of the Dominion, were among points stressed by life insurance executives at their annual meetings recently. Here are summaries of some of their addresses.

H. D. BURNS, President, Crown Life Insurance Co.

The objectives we should pursue to reduce inflationary pressure are fairly clear.

1. We should make every effort to increase the efficiency and volume of our production.

2. All who can, should spend less and, particularly, should defer their larger purchases and increase their rate of savings. The old-fashioned virtue of thrift is, I believe, still one to be encouraged by young and old and when I say "thrift," I mean no less than a departure from indiscriminate spending and a determination to put by and save. In the encouragement of saving, life insurance can make an even more significant contribution than in the past. The ratio of life insurance sales to national income should be increased. The need for life insurance is great, and as I have emphasized, the need to increase savings in this and in other forms is imperative.

3. Maintain and increase surpluses in government accounts. This implies that government expenditures be kept as low as feasible and that public works should be deferred, wherever practicable, so long as business continues very active.

The problem of Canada's U. S. dollar exchange is a long range one and requires a long-range solution.

Comment of the Finance Minister in introducing the Canadian exchange-savings program that we in Canada "have been living beyond our means—"not beyond what we could afford if the rest of the world was restored to economic health but beyond what we can afford in the world as it is today" is relevant to the rising trend of prices in Canada and the United States. We have been trying to replace, modernize, and expand our buildings, machinery, capital equipment and housing, build up our inventories and help our friends and customers overseas. Our production has been insufficient, so prices are rising. And with our imports from the U. S. rising we have been expending our reserve of U. S. dollars.

Since last year, there has been a definite upturn in interest rates; and for the time being, the period of continuously declining interest rates is ended. This is a welcome development, checking the discouragingly low return on savings, but of course means a decline in the market value of securities held.

• • •

ARCHIBALD McPHERSON, Vice-president London Life Insurance Co.

For the life insurance market, both the immediate and the more distant future appear bright. Higher living standards; the trend toward concentration of population in urban centres; earlier marriages and a higher birth rate; the emphasis in Canada on home and family life; the tendency for the years spent in education to lengthen well into maturity; the difficulty of earning anything like a satisfactory living without specialized training — all these factors tend to increase the element of dependency.

Lower interest rates and higher taxes occasioned by the war, have made it virtually impossible for the average man to provide his family with the guarantee of future income except through the medium of life insurance. Moreover, the recent rise in living costs has created a need for much larger amounts of life insurance than formerly.

In the arrangement of many estates, provision for succession duties is a matter of major importance. Furthermore, the various ways in which life insurance is being used to safeguard business interests now present a wide field. Moreover, there is the service performed by the various plans of group insurance.

• • •

JOHN G. PARKER, President, Imperial Life Assurance Co.

Low interest rates in Canada the United States and Great Britain for new investments have continued to prevail. The trend of the interest rates realizeable on government bonds in Great Britain the United States and Canada, however, makes us more confident that the investments we will be able to make in 1948 will yield a somewhat higher return than those made in previous years, giving the promise of a stabilization of or an increase in, the rate of interest on our total funds in future years. Mortality among our policyholders was at a low point last year. While modern medicine is making important progress, improvement in mortality is not as rapid, especially over age 40, as we would like to see it. Our company is an active participant, with others of the life insurance business in support of medical research and in the support of the health activities recommended by the Public Health Committee of the Canadian Life Insurance Officers Association.

Loans on our policies have shown only a slight increase, despite a material rise in the amount of business under which loans could be effected. This reflects the high rate of employment in countries where we operate and the growth in the habit of thrift among our citizens.

• • •

M. R. GOODERHAM, president Manufacturers Life Insurance Co.

The record sales of new insurance and the increase in total insurance in force give ample evidence of the public's firm and growing faith in life insurance. Nevertheless, in some quarters is heard a criticism that the agency system is a wasteful method of distributing our service—that the agent's commission is an unnecessary expense. We know that the agent is an essential factor in our business; that people generally will not take the initiative in the purchase of life insurance, no matter how they appreciate its value. We know that the underwriter performs a valuable service, not only in persuading people to save and protect their families, but in counselling them about the contracts most suitable to their needs. Nevertheless, if we are to eliminate the criticism and give still greater public service, we must seek continually to improve the standards and prestige of our sales representatives. . .

Life insurance funds now represent the great reservoir out of which permanent capital requirements are met, as the private accumulation of capital has diminished greatly under the impact of high succession duties and income taxes.

As the life insurance funds on this continent represent an ever-growing proportion of the total savings, increasing at the rate of nearly $4 billion a year, it appears that the best interests of our economy may require amendments to existing legislation, covering their investment so they may more effectively play their role.

We are facing serious problems in our economy . . . It seems no longer to be a question of control or no control but rather, how much control . . . There are certain truths to be kept in mind. Work and production are the only sources of wages, salaries and profits. The second fundamental is that the great advances in the standard of living for which the free enterprise system is noted, are based on progressive lowering of prices through mass production, good management and efficient labor, and the urge to undersell competition. Now, when demand far outstrips supply, the temptation to get the maximum possible profit or wage (thus contributing to the inflationary spiral) must be combated by all interested in preserving our system.

• • •

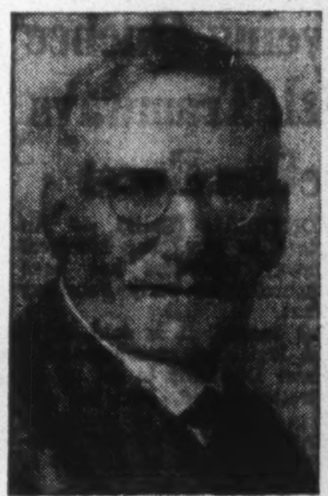
G. FAY DAVIES, general manager National Life Assurance Co.

There is a tendency abroad today for responsible groups, as well as institutions, to seek to put the government into other people's business, while seeking to keep it out of their own. The principle of government versus private ownership cannot be treated in such a selective fashion without grave danger to everyone. When we have dissension among groups who pretend to preach private ownership, we are treading on extremely dangerous ground.

A further alarming condition is a tendency to be self-seeking on a provincial or local basis with no apparent interest in Canada as a whole. Responsible citizens, associations, institutions and groups might cease being selfish on such matters and start adopting a broader spirit of Canadianism. . . . The difficulties in transferring real property should be eased. Commission rates are high, legal fees substantial, and lending companies have adopted too rigid an attitude regarding repayment of mortgages.

Regarding the withdrawal of Bank of Canada support from the Victory bond market, people have been depending on the Bank of Canada too long, asking what the price of the bonds should be, forgetting that it was the public that really set the price.

The difficulty with any economic system which leans on the government is that we find in due course we can't have a nation made up of 100% "leaners." At least half of any group of citizens must be "pushers," or the leaners will have nothing to lean against. This fundamental principle is the most serious weakness in the whole array of socialistic argument.



J. EDGAR JEFFERY

has become chairman of the board of the London Life Insurance Co., in whose service he has spent 55 years, 40 as solicitor and counsel, and 15 as president.

COMPANY REPORTS

NEW CALUMET MINES net profits increased $257,744 to $377,064 in year ended Sept. 30, 1947, due to a decrease in provision for depreciation which dropped from $352,615 in 1946 to $42,026.

President M. A. Thomson points out that while 1947 lead and zinc production was lower, price of lead increased substantially. Increased price has been taken into account in mining of ore and the grade which can be milled now is lower than could be treated formerly, thus effecting a longer life for the mine.

Ore reserves, although slightly down in grade and tonnage, were fairly well maintained during the year. Surface drilling was successful in locating new ore between No. 1 shaft workings and No. 2 shaft above 200-ft. level and western extension of the main ore zone on 500-ft. level.

The company placed $9,000 in Grand Calumet Mining Co. treasury to assist financing a drill program on adjoining ground. Work was carried out on other claims in Grand Calumet twp., and an option taken on a zinc property in Adamston twp., Ont.

INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Production	$2,153,788	$2,065,134
Less: Mkt. chgs.	257,825	331,679
Oper. expenses	1,313,281	1,166,072
Oper. profit	582,682	567,383
Less: Deprec.	42,026	352,615
Int. & disc.	23,598	33,453
Prov. for taxes	139,994	61,995
Net prof. & surp.	377,064	119,320
Earnings per share	$0.108	$0.034
None paid.		

CONDENSED BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & metal rec.	$584,117	$696,535
Accts. rec.	7,435	3,457
Supplies	172,007	155,695
Total curr. assets	763,559	855,687
Invest.	9,000	......
Prep. expense	24,656	30,739
Mining claims	512,764	512,764
Bldgs., mach., etc.*	170,456	132,437
Total assets	1,480,435	1,531,627
Accts., etc., pay.	108,932	153,155
Taxes pay.	103,000	62,033
Total curr. liabs.	211,932	215,188
Notes payable	302,311	727,311
Capital stock	510,487	510,487
Surplus	455,705	78,641
*After depr. of	1,009,497	971,801
Working capital	551,627	640,499

OPERATING STATISTICS

	1947	1946
Tons milled	182,020	208,858
Ore reserves, tons	902,492	944,964
Grade: Zinc, %	8.90	9.20
Lead, %	2.60	2.70
Silver, oz.	5.11	5.45
Gold, oz.	0.031	0.032

SAVE AND PLAN

Plan for the things you want most and accumulate the required funds through a Canada Permanent Savings Account. Regular deposits soon build a fund for obligations, emergencies and future expenditures. Savings earn 2%.

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Insurance protection with practical fraternal benefits
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MONTREAL • FORT WILLIAM • WINNIPEG

Annual Report shows growth with stability

Deposits

1942 ......$ 2,057,257.15
1946 ...... 5,683,042.28
1947 ...... 13,593,573.02

Cash, Bonds and other liquid securities owned by the Company are over 123.48% of Savings Deposits.

Estates, Etc., Under Administration

1942 ......$ 11,383,228.85
1946 ...... 21,677,530.57
1947 ...... 34,706,927.19

67% increase in appointments as Executor and Trustee under wills over the corresponding period of 1946.

Assets in the Hands of the Company

1942 ......$ 13,838,101.38
1946 ...... 28,303,656.18
1947 ...... 51,869,431.26

GUARANTY TRUST
COMPANY OF CANADA
Toronto • Ottawa • Windsor • Niagara Falls
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Industrial Paint Specialists
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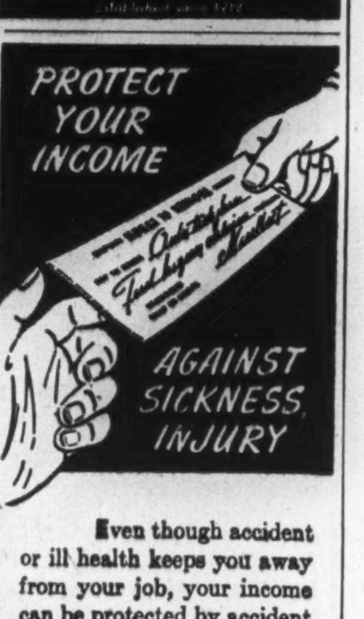

PROTECT YOUR INCOME AGAINST SICKNESS, INJURY

Even though accident or ill health keeps you away from your job, your income can be protected by accident and health insurance. Loss of time benefits pay you the money you so greatly need when you are laid up and income stops. Don't let sickness or injury jeopardize your savings and home. For information, consult . . . .

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TORONTO Elgin 5928
MONTREAL
University Tower Building

THE CANADA LIFE ASSURANCE COMPANY
takes pleasure in announcing that
SOL EISEN
CENTRAL TORONTO BRANCH
has arranged well over
One Million Dollars of Life Insurance and
Annuity contracts for members
of this community during 1947
to earn his second
consecutive membership in the
MILLION DOLLAR ROUND TABLE

This organization is composed of the top life insurance underwriters on this continent.

In his 12 years with the Canada Life, Mr. Eisen has earned many distinctions reflecting his consistently large volume of business. He has earned the National Quality Award for persistency of business each year since the Award was instituted. Mr. Eisen specializes in designing, installing and servicing Employer-Employee Benefit and Pension Plans.

Why Risk Disaster?

The risk of disaster caused by faulty, dangerous power plant equipment and boilers, can be greatly lessened. We are doing it constantly on equipment of our clients . . . by means of a staff of experts trained to spot dangerous conditions before disaster occurs.

It is greatly to our advantage to keep accidents from occurring to objects we insure. So our trained staff inspects the objects periodically, and it is also available to help the policyholder in time of emergency.

Ask your broker or agent for details.

The Boiler Inspection and Insurance Co. of Canada

1947 — Another Record Year

THROUGH its 73 years the London Life has constantly recognized its responsibility to render Canadians as much assistance as possible in providing security for their families and themselves.

From this standpoint, 1947 was the greatest year in the Company's history. The $207,069,000 of life insurance purchases arranged through our field men exceeded the amount for any previous year, and today nearly one-seventh of all life insurance bought in Canada is issued by the London Life. The life insurance in force also increased by the record amount of $148,481,000, and now stands at $1,429,582,000. The London Life family of policyholders numbers over 800,000, and because of the diversified nature of the Company's service this group is made up of people in all walks of life.

The assets of the Company increased during the year by $22,340,000 and now total $269,554,000. Over 92% of this amount is required to meet the Company's liabilities to its policyholders, and there remain Surplus Funds of $20,486,000 as an assurance of safety and stability. Maintenance of a strong financial position in the interests of complete security to policyholders and their beneficiaries has always been of paramount concern to the London Life.

The combination of financial strength, low net cost to policyholders, and service by selected and skilled representatives accounts for the London Life's continued progress and its present outstanding position.

A copy of the 1947 Annual Report will be mailed on request.

London Life Insurance Company
Head Office - London, Canada

Bank Volume Pays General Tribute To Services of Warrior Employees

A total of 8,994 bank employees enlisted in the armed forces, 665 dead, several hundred more wounded, and approximately 300 decorations and distinctions won—that is the record of employees of the Canadian chartered banks in Great War II.

Of the total number enlisted, 8,265 were men and 729 women. Of the 17,500 male employees at the beginning of hostilities 34.5% joined the services and about 2,300 men who subsequently came into the banks enlisted afterward.

Leaving adding machines, tellers cages and credit applications for the conning tower of a corvette, the turret of a tank or the controls of an airplane, they served in every theatre of war from the North Altantic, the Normandy beaches and the skies over Berlin, to the sands of Africa and the far east, as well as on the home front.

What may be regarded as a representative record of the activities of these warrior-bankers is found in a 331-page volume published by the Canadian Bank of Commerce. This volume, "War Service Records 1939-1945," intended primarily as a tribute to the bank's own staff gives data which undoubtedly may be regarded as typical of the banks generally.

The Canadian Bank of Commerce itself had 1,523 men and 158 women enlisted, 133 dead, and 107 gazetted honors and awards.

The individual biographies which form the larger part of the book, indicate that apart from the special training and experience gained, the enlisted members of the staff visited various parts of Canada and other countries which in the ordinary course of banking they would not have seen. Thus they acquired a knowledge of places and people invaluable later to those who returned to civilian life. Due credit is given those who served on the home front, often against their will.

Of the men who re-entered civilian life on release from active service, about 80% returned to duty with the bank, and most of these are still with it, having made banking their permanent profession. Some of the younger men, however, took advantage of the Government Educational Courses to enter the professions.

The book points out that when a banker joined the armed forces, he took with him a training which would stand him in good stead in routine matters. But for the main business of war, he had to learn an entirely different technique. While most of them started from scratch in the lowest ranks of their respective branches, many quickly rose to posts of responsibility, requiring good judgment and a high degree of efficiency and courage.

The Naval Service

Naval ratings spent most of their seatime on the North Atlantic, the two best known routes being the "Triangle" and "Derry" runs, the former so called because the ports of call formed a triangle, the points of which were St. John's, Nfld., Halifax and either New York or Boston; the latter run was from St. John's to Londonderry. Others were on patrol duty on either the Atlantic or Pacific coasts or on convoy escort across the Atlantic by various routes or into the Arctic on the run from Scapa Flow to Murmansk.

The Army

Of all the services, the writer of the introduction to the book notes, the army brought officers and men into most direct contact with persons of the enemy as well as the terrain over which the war was fought. Consequently citations of honors, etc., are in greater detail than in other services.

One member of the staff was evacuated from Dunkirk, in June, 1940, and two took part in the lightning visit of Canadian troops to France just before that country fell.

Commerce men did garrison duty in Jamaica and Bermuda, Iceland and then Hong Kong, where two were taken prisoner, and Corporal Henry Kelso killed, with his brother, in action there. One member was taken prisoner in the Dieppe raid the following year. Many Commerce men saw action in the Sicilian and Italian campaign and in North West Europe. The book contains many interesting descriptions of the landing on the beaches, actions in the Hochwald Forest, on the Maas and the Rhine.

Air Force Records

Regarding the air force, the book states that the first volume of the official publication "The R.C.A.F. Overseas — the First Four Years" includes the record of a number of banker-airmen whose honors and awards are in the book. The second volume, it is believed will include those receiving awards after 1943.

Quite a number of Commerce airmen received the Operational Wing awarded by the R.C.A.F. for a completion of a tour of operations, namely a certain number of sorties depending on the type of work, distance and direction of targets and other considerations. Some received a bar to the wings.

One of the most interesting parts of the book is a section devoted to work by service personnel behind the lines and the impressions of the service men on continental Europe.

ST. CLAIR CO. SELLS BARLEY
From Our Own Correspondent

CHATHAM — With the lifting of ceiling prices on barley, St. Clair Grain & Feed Co. is now contracting "a large acreage" of this grain for the Canada Malting Co., H. E. Webster, president of St. Clair, announces.

KIRKLAND GOLDEN GATE MINES has received payment for Jan. 9 installment of $11,000 for 73,333 shares at 15 cents. Issued capital is 3,467,764 shares.

Staff Changes

The Bank of Nova Scotia announces the following staff changes.

W. BALDOCK, to be manager, Jasper and 114th St., Edmonton.

P. B. COOMBS, to be manager, business development department, general office.

B. B. WALTERS, to be manager, Agincourt, Ont.

H. P. NOBLE, to be accountant, Broadview & Gerrard, Toronto.

* * *

The Canadian Bank of Commerce announces the following staff changes.

L. T. FOSTER, formerly manager, Bradford, Ont., to be manager, Barrie, Ont.

A. L. VEALE, formerly manager, Uxbridge, Ont., to be manager, Bradford, Ont.

H. F. MASON, formerly accountant Sudbury, Ont., to be manager, Brighton Ont.

J. A. KIDD, formerly accountant, Chatham, Ont., to be assistant manager, Chatham, Ont.

A. K. POUSSETTE, formerly manager foreign exchange department, Montreal, to be assistant manager, Seattle, Wash.

W. G. MOORHEAD, to be manager, Thedford, Ont.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ONTARIO LOAN & DEBENTURE CO. 1947 net profit was $241,477, after provision for Dominion income tax and Ontario corporation tax of $160,000 ($225,325, after $148,000 provision in 1946). The fact that the company has been able in the past two years to increase good mortgage investments substantially has brought about improved earnings. Liquid position of the company has been well maintained, quick assets of Dominion Government bonds and cash exceeding total deposits, President Archibald McPherson states.

Deposits and debentures increased during 1947 by $1,526,292. Mortgages increased by $1,974,179 and mortgage payments, both interest and principal, continue to be very well met, it is stated.

In view of the growth in company business, directors consider some moderate addition to capital stock advisable. At the annual meeting on Feb. 11, a resolution will be submitted to shareholders, authorizing issue and offering to shareholders of 5,000 additional shares (par value $50 each) for subscription pro rata at $90 a share, the premium of $40 a share to be credited to the reserve fund.

	1947	1946
Liabs. to pub., etc.*	$18,539,957	$17,011,712
Sharehldrs' equity	4,532,907	4,516,430
*Secured by:		
Office premises	90,000	90,000
Mortgages	15,107,685	13,133,506
Realty for sale	4,935	10,664
Agree. for sale	52,472	82,560
Liquid assets†	7,817,772	8,211,412
Total	23,072,864	21,528,142
†Comprises securities, loans on securities, deposits and cash.		
Earned per share	$6.04	$5.63
Paid	5.00	5.00

DOMINION FOUNDRIES & STEEL 1947 net profit was $1,034,183 ($1,029,669 in 1946). Despite difficult operating conditions through the year, production and shipments held up well, and demand for company products continued in excess of capacity to produce, President F. A. Sherman states.

During the year, to help reduce costs and improve efficiency, $1,150,000 was spent on additional equipment; the electrolytic tinning line, mentioned in last year's report, was delayed and additional expenditure for this equipment is still ahead.

To provide additional working capital and to complete the electrolytic tinning line and other improvements in plant facilities, the company has offered shareholders the right to purchase about 91,000 additional common shares.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net profit*	$1,034,183	$1,029,669
Less: Com. divds.	511,018	511,018
Surplus for year	523,165	518,651
*After all charges including:		
Deprec.	530,380	579,656
Int. 4% notes	40,076	38,668
Tax reserve	615,000	625,000
Empls. fund	625,000	589,425
Earnings per Share and Dividend Record:		
Com.: Earned	$2.83	$2.82
Paid	1.40	1.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$1,747,807	$2,591,863
Accts. rec.	2,153,444	1,407,520
Inventories	3,488,794	2,544,811
Total curr. assets	7,390,045	6,544,194
Refund. EPT	275,000	275,000
Fixed assets*	6,952,158	6,309,903
Total assets	14,617,203	13,129,097
Accts. & div. pay.	2,415,275	1,543,622
Taxes payable	428,009	520,446
Total curr. liab.	2,843,284	2,064,068
Funded debt	1,001,900	1,001,900
Conting. res.	300,000	300,000
Capital stock	3,967,462	3,967,462
Capital surplus	1,200,000	1,200,000
Surplus▲	†5,304,557	4,595,667
†Includes inventory credit adjust. $185,725.		
*After depr of	17,239,993	16,731,172
▲Incl. ref. EPT	275,000	275,000
Working capital	4,546,761	4,480,126

BANK OF CANADA

	Jan. 21 1948 $	Jan. 14 1948 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,168,232,031	1,182,357,706
Deposits: Dom.	71,629,128	75,242,565
Chart. banks	543,074,655	541,470,938
Other	78,066,854	66,113,748
Total deposits	692,770,637	682,827,251
Liabs. payable in sterling, U.S.A. and for'n. gold currencies: Deposits	433,591	1,433,591
All other liabs.	26,978,211	26,807,902
Total liabs.	1,903,464,837	1,908,476,817
Assets		
Sterling & for'n exchange	433,591	1,433,591
Subsid. coin	203,595	170,395
Investments:		
Dom. govt. sh.	972,330,503	979,436,260
Oth. Dom. gov.	864,380,112	864,567,311
Other secs.	25,000,000	25,000,000
Total invest.	1,861,710,615	1,869,003,571
Premises	2,343,110	2,342,958
All other assets	38,773,926	35,526,302
Total assets	1,903,464,837	1,908,476,817

ALL THREE PRIZE-WINNERS AT A·T·A NATIONAL ROADEO

Chose and drove BRANTFORD TRAILERS

Champion and First Prize Winner Frank Bell beside the Brantford Trailer which he drives for Canadian Breweries Transport Limited.

"I Like Brantfords"
says Champion Frank Bell

Roadeo Champion and First Prize Winner Frank Bell drives for Canadian Breweries Limited, Toronto, says: "In the course of my daily work I drive Brantfords and find them extremely free-rolling on the highway and easier manoeuvered in tight corners. I like Brantfords."

Second Prize Winner Wallace F. Miners drives for Jones Transport Limited, Brantford, says: "I chose the Brantford Trailer because I like its balance and the way it handles."

The National Roadeo of the Automotive Transport Association, held in Toronto December 1 and 2, brought together Canada's finest drivers and the leading makes of trucks, tractors and trailers in an exacting contest of skill and efficiency. In the tractor-trailer division, all three prize winners won with BRANTFORD SEMI-TRAILERS... standard 26-foot jobs selected at the personal discretion of the drivers from all available makes of equipment. Here is undisputed proof of the confidence placed in Brantford Trailers by the men who KNOW.

Third Prize Winner A. Varley drives for Trinidad Leaseholds (Canada) Ltd., Port Credit, says: "I tried them all and found the Brantford Trailer more easily handled."

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TRAILERS-HOISTS TAILGATE LOADERS

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THE BARCLAYS GROUP OF BANKS

TOTAL RESOURCES IN EXCESS OF $7,000,000,000

BARCLAYS BANK LIMITED
HEAD OFFICE • LONDON, ENGLAND

STATEMENT OF ACCOUNTS, 31st DECEMBER, 1947
CONVERTED AT $4.02 = £1.

LIABILITIES		
CURRENT, DEPOSIT AND OTHER ACCOUNTS, including Reserve for Taxation and Contingencies and Balance of Profit and Loss	$4,975,473,041.20	
BALANCES IN ACCOUNT WITH SUBSIDIARY BANKS	40,952,198.88	
		$5,016,425,240.08
ACCEPTANCES, GUARANTEES, INDEMNITIES, ETC. FOR ACCOUNT OF CUSTOMERS		153,182,979.06
PAID UP CAPITAL		63,750,032.34
RESERVE FUND		49,245,000.00

ASSETS	
CASH IN HAND AND WITH THE BANK OF ENGLAND	$ 434,623,964.45
BALANCES WITH OTHER BRITISH BANKS AND CHEQUES IN COURSE OF COLLECTION	194,433,537.63
MONEY AT CALL AND SHORT NOTICE	311,922,654.00
BILLS DISCOUNTED	829,909,326.97
TREASURY DEPOSIT RECEIPTS	1,121,580,000.00
INVESTMENTS (including $1,103,954,915.66 Securities of, or guaranteed by, the British Government)	1,194,297,300.45
INVESTMENTS IN SUBSIDIARY BANKS (at cost, less amounts written off)	36,909,850.90
ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS	974,639,735.57
LIABILITY OF CUSTOMERS FOR ACCEPTANCES, GUARANTEES, INDEMNITIES, ETC.	153,182,979.06
BANK PREMISES AND ADJOINING PROPERTIES (at cost, less amounts written off)	31,103,902.45

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS)
HEAD OFFICE • LONDON, ENGLAND

STATEMENT OF ACCOUNTS, 30th SEPTEMBER, 1947
CONVERTED AT $4.02 = £1.

LIABILITIES	
CURRENT, DEPOSIT AND OTHER ACCOUNTS, including Reserves for Taxation and Contingencies and Balance of Profit and Loss	$1,434,905,111.83
NOTES IN CIRCULATION	2,487,890.87
ACCEPTANCES AND OTHER LIABILITIES ON ACCOUNT OF CUSTOMERS	111,880,696.11
PAID UP CAPITAL	28,628,430.00
RESERVE FUND	30,427,380.00

ASSETS	
CASH IN HAND AND WITH BANKERS, AND GOLD BULLION	$ 452,645,809.13
MONEY AT CALL AND SHORT NOTICE	22,512,000.00
REMITTANCES IN TRANSIT	20,102,251.20
BILLS DISCOUNTED	216,916,389.85
INVESTMENTS	461,083,444.18
ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS	309,579,333.81
LIABILITY OF CUSTOMERS FOR ACCEPTANCES, ETC.	111,880,696.11
BANK PREMISES (at cost, less amounts written off)	13,609,584.53

OTHER ASSOCIATED COMPANIES

BARCLAYS BANK (FRANCE) LIMITED
CHIEF OFFICE • PARIS

THE BRITISH LINEN BANK
HEAD OFFICE • EDINBURGH

BARCLAYS BANK S. A. I.
ROME • ITALY

BARCLAYS BANK (CANADA)

TORONTO

MONTREAL VANCOUVER

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 261

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of February, 1948, to shareholders of record of the 15th January, 1948.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 11th December, 1947.

The Royal Bank of Canada

DIVIDEND No. 242

NOTICE is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on and after Monday, the first day of March next, to shareholders of record at the close of business on the 31st day of January, 1948.

By order of the Board.

JAMES MUIR
General Manager.

Montreal, Que., January 13, 1948.

COMMOIL LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of ½ cent per share has been declared on the outstanding no par value shares of the Company, payable February 25th, 1948, to shareholders of record at the close of business, February 11th, 1948.

The transfer books of the Company will not be closed.

By Order of the Board,

G. J. McKAY, Secretary.

January 21st, 1948.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND of 44c per share, being at the rate of seven per cent (7%) per annum, has been declared upon the $25.00 par value seven per cent (7%) cumulative redeemable preferred shares of the Company, and cheques will be mailed on the fifteenth day of March next to shareholders of record at the close of business on the 13th day of February, 1948.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, 21st January, 1948.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND of 13c per share has been declared upon the Common Shares without nominal or par value, of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 13th day of February, 1948.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, 21st January, 1948.

DAVIS LEATHER COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that a quarterly dividend of 37½c per share has been declared on the outstanding Class A shares of this Company payable March 1, 1948, to shareholders of record at the close of business on February 2nd, 1948.

Notice is hereby given that a quarterly dividend of 17½c per share has been declared on the outstanding Class B shares of this Company payable March 1, 1948, to shareholders of record at the close of business on February 2nd, 1948.

By Order of the Board,

R. BURNS LIND,
Secretary-Treasurer and General Manager.

Newmarket, Ontario,
January 19, 1948.

DIVIDEND NO. 33

Hudson Bay Mining and Smelting Co., Limited

A Dividend of one dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable March 8, 1948, to shareholders of record at the close of business on February 6, 1948.

H. E. DODGE, *Treasurer.*

ALUMINIUM LIMITED

COMMON DIVIDEND

On January 14th, 1948, a quarterly dividend of $2.00 per share was declared on the Common Shares of this Company payable in Canadian Dollars March 5th, 1948, to shareholders of record at the close of business February 6th, 1948.

Montreal — J. A. DULLEA
January 14th, 1948 — *Secretary*

Bruck

BRUCK SILK MILLS LIMITED
DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of 30c per share on the outstanding common stock of the Company has been declared payable on March 15th, 1948, to shareholders of record at close of business February 16th, 1948.

By Order of the Board.

H. STEIN,
Secretary.

Montreal,
January 20th, 1948.

Six Points to Determine What Imports Essential

What factors will the Government consider in issuing permits for imports of capital goods or production materials from the United States?

Here are the six points given by Trade Minister Howe to the Canadian Manufacturers' Association in Toronto this week:

End use of the item will be the controlling factor. In general, essentiality will be governed by one of the following six definitions:

(1) That it provides for production in Canada of a manufactured product suitable for export;

(2) That it is essential to maintenance and/or expansion of industry;

(3) That is essential to maintenance or expansion of a productive public service;

(4) That it is required for production of a basic product, such as in farming, mining, logging, fishing, or in the producton of petroleum:

(5) That it is an essential replacement of obsolete or worn out equipment of the same type. "In general, parts for repairing existing equipment will not be subject to restrictions; this with the exception of spare parts imported under the automobile tariff items";

(6) That it provides for the fabrication in Canada of a product or parts, formerly imported, which are essential to Canada's economy.

Other highlights of the address:

"Canada today is a prosperous nation. We are now in the middle of the biggest investment boom ever experienced in this country. Last year we invested $2.3 billions in buildings, machinery and capital improvement. Estimates for 1948 are some 17% higher."

"The ultimate solution of our exchange difficulty must be found by increasing production, and thus increasing exports; but this takes time. The purpose of present restrictive measures is to gain the time required to expand production, and by that means earn the dollars required to permit the resumption of normal trade relations."

"It is not the Government's intention to place restrictions on all items at one time . . . rather, to bring under control, as few of the items, from time to time, as will accomplish the task of restoring our foreign exchange position.

"It is not intended that restriction of imports shall be used as a protective tariff. New production in Canada, of goods, the import of which is prohibited, will not be encouraged. I hope and believe that the restrictive program will be of temporary duration; and the ending of that program should not mean the end of any new productive enterprise."

DIVIDEND NOTICES

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share has been declared on the Series "A" 4% Cumulative Redeemable Preferred shares of the Company for the quarter ending March 31, 1948, payable April 2, 1948, to shareholders of record March 2, 1948.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, January 26, 1948.

Chesterville Mines Limited
(No Personal Liability)
Interim Dividend Notice No. 8

Notice is hereby given that an interim dividend of 5c (five cents) per share, payable in Canadian funds, has been declared by the Directors of Chesterville Mines Limited, payable April 30th, 1948, to shareholders of record at the close of business April 9th, 1948.

By Order of the Board.

E. V. OAG,
Secretary-Treasurer.

Toronto, January 22nd, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this Company, payable February 16th to shareholders of record January 31, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
January 15, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Five cents (5c) per share, plus an extra Five cents (5c) per share, has been declared on the outstanding Class "B" stock of this Company, payable February 16th to shareholders of record January 31, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
January 15, 1948.

Proprietary Mines Limited

DIVIDEND NO. 39

NOTICE is hereby given that a Dividend of three cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on March 5th, 1948, to shareholders of record at the close of business on February 6th, 1948.

By Order of the Board.

J. INGRAM,
Secretary-Treasurer.

Toronto, Ont., January 23rd, 1948.

Canada Safeway Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of $1.12½ per share on the outstanding 4½% cumulative redeemable preferred shares of the Company has been declared payable March 1st, 1948, to holders of such preferred shares of record at the close of business on February 14, 1948.

By Order of the Board,

J. A. MacAULAY,
Secretary.

January 16, 1948.

Canadian Car & Foundry Company, Limited

Notice is hereby given that dividend No. 8 of twenty-five cents (25c) per share on the Class "A" Stock, and dividend No. 32 of twenty cents (20c) per share on the Ordinary Stock of the company, have been declared for the three months ending February 23, 1948, payable on February 23, 1948, to shareholders of record January 29, 1948.

By Order of the Board,

D. H. FORSYTH,
Secretary.

Montreal, Canada,
January 23, 1948.

2, 4-D May Injure Crops, Is Warning

From Our Own Correspondent

SASKATOON — Saskatchewan branch of the Canadian Seed Growers' Association has warned farmers not to use the weed-killer 2,4-D on elite stock seed plots, stating that unless properly applied, it may injure crops.

Dr. T. K. Pavlychenko, University agrologist, said farmers would undoubtedly treat millions of acres with the solution this spring but he strongly urged them not to touch the grain until it was at least five inches high, and not after the grain had reached the shot blade.

Wheat, he said, was least susceptible to the chemical. Oats suffered quite heavily, as did barley and flax, but the latter recovered quickly.

While admitting the chemical caused damage, some quarters questioned whether the destruction of the weeds did not offset that loss.

New Social Security Schemes Still Only in 'Study' Stage

OTTAWA (Staff) — There is as yet little substance in recurring press reports that new contributory old age pensions and health insurance schemes are slated for passage at the coming session of Parliament.

A lot of work has been done on such schemes both within the Department of Health and Welfare and by outside experts. It is also no secret that Hon. Paul Martin, the responsible minister, would like to see something done at the present session.

But there has been no consideration by Cabinet of any definite scheme. Nor is it believed that departmental plans have progressed to the point where specific legislation is ready for Cabinet decision.

If in the near future Prime Minister King were to give his personal okay to preparation of draft legislation for submission to the Cabinet and to Parliament then no doubt something along these lines might happen in a considerable hurry. Unless or until this happens, there will probably be continued study of both initial and eventual plans, for consideration within the larger framework of constitutional Dominion-Provincial and social security policy.

One line of approach which may eventually be taken is to prepare draft legislation to be merely tabled in Parliament some time this summer and left over for examination by provinces, social security experts, etc. This policy was highly successful in the case of the new income tax bill. Whether it would work as well in so highly contentious a matter of social security is another question.

Starch, Glucose Are Next Goals Of Pool Plant

From Our Own Correspondent

SASKATOON — The Wheat Pool's big processing plant here, already turning out vegetable oil, is nearing the stage when it will be turning out 1,000 barrels of flour a day. Next development steps will be production of starch and gluten and then conversion of starch to glucose, George W. Robertson, pool secretary, told the annual farm week meetings here.

Mr. Robertson discounted the possibility of producing alcohol from grain, as too costly, saying it was cheaper to utilize waste pulpwood products. He voiced hope, however, that one day a portable type of distillery would be developed to move from farm to farm producing power alcohol from farm waste, particularly root crop tops.

Production of butylene glycol from grain for anti-freeze was possible, he said, and this was equal in results to ethylene glycol, used in the present anti-freeze mixture. Glycol of certain types was also the base material for synthetic rubber, he said.

Western Ontario Corn Fills New Cereal Role

From Our Own Correspondent

CHATHAM — Between 25,000 and 30,000 acres of white hybrid corn will be contracted this year for the Kellogg Co. of Canada, London, E. M. Warwick, president of White Hybrid Corn Producers, states. The company, he adds, will soon complete its new drier to replace one destroyed by fire last year.

In 1946, this district harvested 600,000 bushels of white hybrid corn, valued at $1,750,000.

This area will supply corn hitherto produced in the United States, South Africa and Argentine, Mr. Warwick adds, declaring that "any businessman will appreciate the value of this, in connection with the dollar situation."

Share Offering By Atlantic Wholesalers

MONTREAL (Staff)—An offering of $200,000 5½% cumulative redeemable preferred shares par $20 and 7,500 Class A shares n.p.v. of Atlantic Wholesalers is being made by F. J. Brennan & Co. Both the preferred and class A shares are being purchased from shareholders of the company and proceeds will not be paid into the company treasury. Preferred shares are being offered at $20 per share and the Class A at $7.25 per stare.

Atlantic Wholesalers, incorporated in April, 1944, acts as a wholesale distributor of foods and other products in the Maritimes through subsidiaries. It also processes and packs a number of food products under its own brand name.

According to the offering prospectus, the statement of consolidated net earnings covering the last 10 years and nine months average annual net earnings available for dividends amounted to $131,100. This is equal to $5.80 per share or 5¼ times dividend requirements on the preferred stock, it is stated. After allowing for dividends on the preferred, remaining earnings amounted to $106,350, applicable to Class A and B shares. This is equal to $1.28 per share or approximately 3¼ times the amount required for present dividends. Earnings for the first nine months of the year ending Jan. 31, 1948 amounted to $221,451 or $9.84 per share on the preferred and $2.38 per share on Class A and B shares. Current assets of the company as at Oct. 31, 1947 totalled $2,664,621 and current liabilities $1,417,587. Total assets were shown at $3,474,481.

Capitalization of the company at the same date was 22,500 authorized and outstanding 5½% cumulative preferred; 120,000 class A common of 75,000 were outstanding; 7,500 class B all of which were outstanding. Class A shares are nonvoting it is stated. The 10,000 shares of preferred stock offered were purchased from two stockholders at a price of $19 per share. Class A shares offered were purchased from two shareholders at a price of $6.75 per share.

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Publishing Company Limited, Toronto—Montreal
(Merchandising Newspapers Division)

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN BREWERIES LTD. consolidated net profit for the year ended Oct. 31, 1947, showed a 31% increase over the net profit, including refundable EPT, for the previous fiscal year. Net sales of $76,822,009 were up from $63,207,335 for the previous year. Cost of sales, including $25,904,653 government sales and excise taxes, amounted to $62,355,728.

The improved earnings have been achieved in spite of continued advances in all costs of production throughout the year, Chairman E. P. Taylor states. The expansion in net profits has only been made possible by the continued modernization and expansion of the company's capital facilities, it is stated.

The company is about to complete its postwar plans. These have included the enlargement and modernization of the main O'Keefe plant in Toronto, the Carling plant in Waterloo, the Brading's plant in Ottawa and the Brewing Corp. of America's plant in Cleveland, as well as construction of a 1.5 million bushel per annum malting plant at Victory Mills Ltd. In addition it is proposed in the near future to complete extensive and fully equipped laboratories for the expanded research department.

Funded debt during the year was increased to $15,372,257 from $10 millions and the issued capital, through issuance of rights, to 2.2 million from 2 million shares. Expenditures on capital account resulted in net book value of fixed assets increasing to $29,214,172 from $18,287,408.

Directors are not unmindful of the difficulties which may confront all business during the coming year, Mr. Taylor added. But they feel confident that another year of progress and sound development seems assured, it was stated.

Distributable surplus of $9,436,694 included net adjustment credit of $1,129,660 for prior period provision for income tax; debits of $573,879 for demolition and disposal of plant and equipment provision in connection with U. S. subsidiary expansion and $202,055 covering balance of expenses on prior issues of redeemed debentures.

CONSOL. INCOME ACCOUNT

Years End. Oct. 31:	1947	1946
Net sales	$76,822,008	$63,207,335
Less: Govt. sls. tax	25,904,653	22,790,444
Cost of goods	21,910,245	16,593,553
Sell. & adm. exp.	14,540,829	11,423,432
Net earnings	14,466,281	12,399,906
Add: Other inc.	554,273	630,611
Less: Deprec.	2,003,687	1,681,095
Deb. & note int.	475,390	402,558
Other int.	120,184	78,295
Misc. int.	......	13,050
Loss on invests.	35,660	......
Amort. sh. prem.	147,673	......
Taxes■	5,654,000	5,619,000
Min. interest	413,545	532,428
Profit, incl. ref. EPT	6,170,415	4,704,091
Less: Ref. EPT	......	168,500
Retained net profit	6,170,415	4,535,591
Less: Com. divds.	3,500,000	2,257,772
Surplus for year	2,670,415	2,277,819

■Net after deduction of refund. portion.
Note: Co's report shows refund. EPT in net profit and surplus for year.

Times All Interest Earned:		
Before deprec.	25.22	27.10
After deprec.	21.86	23.60
Earnings per Share and Dividend Record: Common*:		
Excl. ref. EPT	$3.09	$2.27
Incl. ref. EPT	3.09	2.35
Paid	1.75	1.18¾

*Based on 2,000,000 shs. outstanding.
Note: Above statements include accounts of Brewing Corp. of America at par of exchange.

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1947	1946
Cash	$5,847,810	$6,036,057
Investments†	415,099	1,446,375
Accts. rec.	2,487,388	1,382,631
Inventories	8,053,025	5,959,138
Total curr. assets	16,803,322	14,824,201
Prepaid expenses■	613,953	326,803
Misc. assets▲	1,538,134	2,251,242
Invest. allied cos.‡	1,963,370	1,348,111
Inv. in Dom. Malt'g	2,005,172	1,949,128
Sundry invest.	474,712	......
Sundry props.	880,785	677,980
Prem. on subs. shs.	3,725,238	3,691,834
Fixed assets*	29,214,172	18,287,408
Total assets	57,218,858	43,356,707
Total curr. liab.	7,047,152	5,837,897
Funded debt	15,372,257	10,000,000
Reserves	1,498,531	1,242,563
Min. int. in subsid.	1,688,530	1,717,412
Capital stock	20,451,123	16,421,711
Capital surplus	1,724,571	1,724,571
Distrib. surplus♦	▲9,436,694	▲6,412,553
*After depr. of	7,585,576	6,449,682
†Market value	343,000	unstated
‡Market value	2,354,500	unstated
▲Incl. ref. EPT	1,343,853	1,889,123

■Shown in current assets in co's report.
♦Includes $2,707,322, representing company's share of profits of American subs. since acquisition to Oct. 31, 1947. The loan agreement governing notes payable to banks provides among other things that dividend payments from Brewing Corp. of America are restricted to 50% of net income subsequent to Sept. 30, 1945, until loans are retired. The loan agreement governing 3¼% serial notes provides that dividends received from Brewing Corp. of America shall be applied first in payment of interest and expenses and then in reduction of such notes.

Working capital	9,756,170	8,986,304

TORONTO GENERAL TRUSTS CORP. 1947 net profit of $394,921 compared with $393,013 for 1946. Directors have approved of a further transfer to the reserve fund of $250,000, which increases this fund to $2,250,000.

Total assets under administration by the Corporation amount to $300,124,606, an increase of $3,868,394 over the previous year.

	1947	1946
Liab. to public, etc.*	$22,888,597	$21,777,208
Sharehldrs' equity	5,888,996	5,776,677
*Secured by:		
Mtges. & sales agree.	5,848,010	6,946,943
Realty for sale	37,325	63,338
Office premises	1,545,000	1,535,000
Liquid assets†	21,347,258	19,008,604
Total	28,777,593	27,553,885
†Includes bonds and stocks.		
Estates account	271,347,013	268,702,327
Earned per share	$13.16	$13.10
Paid	7.00	6.00+1.00

DIVIDEND NOTICES

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable March 1, 1948, to Stockholders of record at the close of business on February 10, 1948.

By Order of the Board,

CAMERON HOUGH,
Secretary.

Montreal, January 2, 1948.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share on the Class "A" shares and a quarterly dividend of 25 cents per share on the Class "B" shares of the Company have been declared for the quarter ending February 29, 1948, payable on the 1st day of March, 1948, to shareholders of record at the close of business on the 3rd day of February, 1948. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, January 22, 1948.

NOTICE

Belding-Corticelli Limited

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

A Special General Meeting of the Shareholders of Belding-Corticelli Limited will be held at the Head Office of the Company, 1455 Shearer Street, Montreal, on Wednesday, the 18th day of February, 1948, at 12 o'clock noon, for the purpose of considering and, if deemed wise, sanctioning a special by-law providing for the increase of the number of Directors from seven to eight, of whom four shall form a quorum.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of the Shareholders of Belding-Corticelli Limited will be held at the same time and place immediately after the conclusion of the Special General Meeting, for the reception of the Annual Report, the election of Directors, and for the transaction of such other business as may properly come before the meeting.

By Order of the Board,

D. F. POLLOCK,
Secretary.

COMPANY REPORTS

TORONTO MORTGAGE CO. 1947 net profit was $100,370 compared with $99,327 in 1946. The reserve fund, after transferring $34,998 from profit realized on sales of securities, and from exchange profit on payment of sterling debentures, has been increased to $1.2 millions.

Mortgage loans were $3,228,973 ($3,297,302 in 1946).

	1947	1946
Liab. to public, etc.*	$2,123,153	$2,337,435
Shareholders' equity	2,321,783	2,285,065
*Secured by:		
Mortgages	3,228,973	3,297,302
Office premises	45,000	45,000
Liquid assets†	1,170,963	1,280,198
Total	4,444,936	4,622,500
†Includes bonds, stocks and debentures.		
Earned per share	$5.09	5.03
Paid	5.00	5.00

CENTRAL CANADA LOAN & SAVINGS CO. 1947 net profit amounted to $225,932—up from the previous year's $217,565. The reserve fund stands at $2,500,000, an additional $400,000 having been transferred from contingency reserves during the year. The assets of the company stand in the books at prices well within their present market value, President G. A. Morrow states.

	1947	1946
Liab. to public, etc.*	$68,000	$75,000
Shareholders' equity	5,282,763	4,856,831
*Secured by:		
Mortgages	33,904	37,139
Office premises	100,000	100,000
Liquid assets†	5,216,859	4,794,692
Total	5,350,763	4,931,831
†Includes bonds and stocks.		
Earned per share	$9.04	$8.70
Paid	[illegible]	[illegible]

Grain Prices

Winnipeg Grain Futures

Week to Jan. 26, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Jan. 26
		Oats			
.95½	.78⅛	May	.91	.88¼	.88½
.95½	.75½	July	.87⅝	.83⅞	.84¼
.82⅞	.78	Oct.	.....	.....	.78¾
		Barley			
1.36⅝	1.10	May	1.32⅞	1.30¼	1.30⅝
1.31¾	1.07½	July	1.27¾	1.23½	1.24
1.25¾	1.18	Oct.	1.20	1.18	1.18
		Rye			
4.33	2.44½	May	4.33	4.20¾	4.20¾
3.93½	3.10	July	3.87½	3.76	3.76
3.05¼	2.96½	Oct.	2.88	2.77	2.77

Cash Quotations

	For Week Jan. 26 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.97⅞	.95⅛	.99⅝	.91⅛
3 C. W.	.96⅜	.94	.97⅜	.90⅞
Barley				
1 Feed	1.29⅝	1.26⅞	1.31¾	1.26⅞
2 Feed	1.29⅛	1.25⅜	1.31¼	1.21⅝
Rye				
2 C. W.	4.42	4.30¾	4.50	4.15½

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Is the U. S. Getting Ready To 'Absorb' Canada?

"U. S. to try to 'absorb Canada," "Union Jack would still be allowed to fly," "Hush-hush discussions at top levels."

Those are headlines over a lead story in the current issue of The Recorder, British weekly newspaper of politics and business.

"American politicians are now considering a new approach to Canada. This will probably take the form of proposing a North American Customs Union" says the Recorder's feature writer, "Brutus" writing from the United States.

Commenting on Canada's austerity program and the exchange situation from which it developed, the article says:

"With her production reaching fantastic levels, America finds her foreign markets closing against her. Hollywood is in the doldrums. Industrialists are worried."

Canada as Peacetime Ally

"Oddly enough, it is Canada's action which hurts them (the U. S.) most from a psychological aspect.

"Looking at the outside world, a process which gives them a vast headache, Americans realize that Canada is the only completely free-enterprise country left as a peacetime ally.

"Still looking to the north, they also realize that Canada is their first line of defense in the war with Russia which many of them believe to be inevitable."

"We had better do something about Canada," the Americans are saying.

"In the meantime, Canada is definitely doing something about America ... Canada is quietly giving America the works.

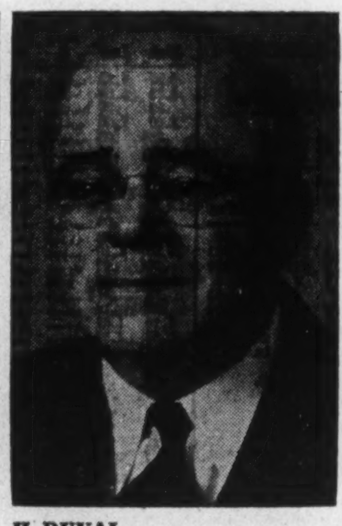
"An economic situation can only exist so long, and then it becomes a political situation," the article continues. "In other words the American politicians are now considering a new approach to Canada. This will probably take the form of proposing a North American Customs Union...

Canada's Reaction

"The first public reaction in Canada would be hostile. Rightly they would see in it a threat to their sovereignty. But after the first shock there will be many enticing undercurrents...

"But the Canadian is true at heart to the British connection, and he takes a longer view than his more volatile American cousin. Therefore, I predict that the Canadian Government will say to Washington: 'Just a minute. We have always done business in the past on a triangular basis, and we see no reason that it should not continue. Why not an Atlantic customs union, embracing the U. S. A., Canada and the United Kingdom?'"

The leaders of Canadian industry, like the political leaders, are adopting a new philosophy. "It is time we stopped trying to be second-class Americans and second-class Britishers," they say. "We should build up our population to 20 million in 10 years and take a firm stand as equal partners with Britain and the U. S. The cadet stage is over."



H. DUVAL

president of Duval Motors Ltd., has been elected a director of the Provincial Bank of Canada.

Alberta Farmers Repay $7,108,740 In Board Loans

From Our Own Correspondent

EDMONTON—Alberta farmers have repaid $7,108,740 of $10,343,310 made in loans by the Canadian Farm Loan board.

Ninety-seven out of every 100 borrowers in the province had no first mortgage interest arrears at March 31 last. During the past fiscal year, borrowers in Alberta paid $456,530 on account of principal.

The board lent an average of $3,860,000 a year to Canadian farmers during the first 10 years of its operations. There was a decline during the war, but indications are that this year, loans will almost equal the prewar average.

Chief purpose for borrowing has changed in recent years. In 1940-41 about 77% was used to pay debts and 9% to buy land. In 1946-47, 52% was used to pay debts and 32% to buy land. Borrowing to make improvements on farms has increased.

EDGAR G. BURTON

managing director of Simpsons, Ltd., has been elected a policyholders' director of the London Life Insurance Co.

GUARD YOUR TRAVEL FUNDS with Canadian Pacific Express TRAVELLERS CHEQUES

The Wawanesa Mutual Insurance Company ORGANIZED IN ...
Admitted Assets... $6,784,348.81
Surplus 3,180,060.58
Dom. Govt. Deposit 2,378,615.74
Write for Financial Statement
Head Office WAWANESA Man. Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

GLOBE OIL CO. says that by resolution of directors 100,000 shares have been allotted to Prairie Pulp & Paper (Alberta) at 65 cents a share, for which payment has been received. Issued capital is 3.9 million shares.

GEORGE WESTON LTD. advises that an additional 30,000 4½% cumulative redeemable preferred shares have been approved for listing on the Toronto Stock Exchange, bringing total listings to 404,421 common and 65,000 preferred shares.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA VINEGARS net profit for the year ended Nov. 30, 1947, was off 13%. Production and sales have continued on a high level, but increasing costs of raw material and labor without a compensating increase in the selling price of the company's products has resulted in somewhat reduced net earnings, Chairman A. L. Spalding states.

The new building and equipment program is now nearing completion. During the past two years the amount spent on capital account, less disposals, totalled $340,932. This amount has been largely provided from company's working capital and a bank loan of $107,000. Main expenditures were at Canning, N.S., where the company acquired and installed a vinegar factory, and apple juice processing plant operated under the name of Kent Foods Ltd.

CONS. INCOME ACCOUNT

Years Ended Nov. 30:	1947	1946
Net earnings	$206,309	$221,082
Less: Deprec.	80,074	71,673
Income taxes	52,135	64,216
Net profit	74,100	85,193
Less: Dividends	69,000	69,000
Surplus for year	5,100	16,193
Earnings per Share and Dividend Record:		
Common: Earned	$0.81	$0.93
Paid	0.75	0.75

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1947	1946
Cash & Dom. bds.	$43,295	$142,285
Accts. rec.	194,489	235,113
Inventories	543,409	298,831
Total curr. assets	781,193	676,229
Mtge. on prop. sold	......	4,500
Fixed assets▲	1,203,560	984,264
Goodwill	24,001	24,001
Total assets	2,008,754	1,688,994
Bank loan	107,000	......
Accts., tax., etc., pay.	374,779	167,119
Total curr. liab.	481,779	167,119
Capital stock	1,322,503	1,322,503
Surplus	204,472	199,372
▲After depr. of	1,039,322	970,038
Working capital	299,414	509,110

BRAND & MILLEN LTD. net profit for the year ended July 31, 1947, was $29,291. Net sales amounted to $1,106,770. Commencing March 1, 1947, the market in general showed a considerable degree of hesitancy in absorbing the volume of products being offered. This condition prevailed throughout the summer months, but interest in volume buying resumed at the beginning of October. The company's engineering staff is now working at top speed in developing a low-priced radio, to tap a greater volume market. The proposed product will be at a price which will put the company in a strong competitive position in Canada.

The recession in sales found the company with inventories at a level considerably in excess of normal requirements. Energetic steps are being taken to liquidate this position by selective disposal of components, and conversion to finished goods.

Negotiations are advancing favorably for acquisition of the right to produce and market in Canada a unique device, closely allied to existing products, and one which is believed will receive wide public appeal in Canada, President H. Lahman states. This product is noncompetitive and will be of tremendous importance to the company's future, it is stated.

INCOME ACCOUNT

Year Ended July 31:	1947
Net sales	$1,106,770
Net earnings	46,026
Less: Depreciation	6,597
Fin. exp.	......
Income tax	10,138
Net profit	29,291
Less: Dividends	26,325
Surplus	2,966
Earnings per Share and Dividend Record:	
Class A: Earned	$0.07
Paid	0.06
Class B: Earned	0.012
None paid.	

CONDENSED BALANCE SHEET

As at July 31:	1947	a1946
Cash	$2,102	$67,122
Accts. rec.	42,587	23,017
Inventories	550,896	258,707
Total curr. assets	595,585	348,846
Prep. exp.§	3,551	3,248
Def. chgs., etc.	19,373	4,000
Int. in other cos.	32,238	50,000
Bldgs. & equip.*	58,195	35,000
Mfg. & other rts.	244,565	244,566
Total assets	953,507	685,660
Bank loan	65,000	130,500
Accts., tax., etc., pay.	133,041	67,660
Total curr. liabs.	198,041	198,160
Capital stock	752,500	487,500
Surplus	2,966	......
*After depr. of	6,558	......

aPro forma, after acquisition of old company and sale of cl. A shares.
§Incl. in curr. assets in co's. report.

Working capital	397,544	150,686

BRITISH MORTGAGE & TRUST 1947 net profit was $101,466 ($97,681 in 1946). Another $50,000 has been added to the general reserve fund, which now stands at $900,000. The money was transferred from a special reserve set up for agreements of sale, where it is no longer required, it is stated. The company marked its 70th anniversary by declaring an extra dividend of $1 a share.

	1947	1946
Liab. to public, etc.*	$9,309,524	$9,015,479
Shareholders' equity	1,989,838	1,928,371
*Secured by:		
Mtges. & sales agree.	3,386,054	2,964,227
Realty for sale	31,028	47,728
Office premises	47,137	48,663
Liquid assets†	7,835,143	7,883,232
Total	11,299,362	10,943,850
†Includes bonds and stocks.		
Estates account	765,085	791,054
Earned per share	$10.15	$9.77
Paid	8.00+1.00	8.00

SCYTHES & CO. operations for the year ended Nov. 30, 1947 showed a substantial improvement. Sales were largest in company's history for peacetime operation, representing increases of about 50% each by additional volume and increased value of merchandise handled. While no extension work has been undertaken, company properties have been maintained in good condition, President J. A. Scythes stated.

INCOME ACCOUNT

Years Ended Nov. 30:	1947	1946
Net earnings	$323,284	$200,262
Less: Deprec.	14,614	13,122
Donations	12,585	6,415
Empl. bonuses	35,700	22,800
Inc. tax	115,600	48,206
Net profit	144,785	109,719
Less: Pref. div.	19,525	20,000
Com. divd.	38,000	38,000
Surplus for year	87,260	51,719
Earnings per Share and Dividend Record:		
Preferred	$9.27	$6.86
Paid	1.25	1.25
Common	2.51	1.79
Paid	0.76	0.76

CONDENSED BALANCE SHEET

As at Nov. 30:	1947	1946
Cash & Dom. bds.	$85,701	$223,240
Accts. rec.	369,798	290,438
Life ins. c.s.v.	91,579	85,409
Investments	42,340	42,340
Inventories	546,160	406,965
Total curr. assets	1,135,578	1,048,392
Prep. exp.§	2,750	3,785
Misc. assets▲	172,725	169,778
Fixed assets	691,884	670,557
Total assets	2,002,937	1,892,512
Accts. & tax. pay.	349,149	341,053
Other curr. liab.	50,081	37,300
Total curr. liab.	399,230	378,353
Bad debts res.	18,600	17,500
Deprec. reserve	424,069	415,852
Pf. stk. s. f.	8,223	9,226
Capital stock	493,000	502,500
Capital surplus	9,500	......
Earned surplus▲	650,315	569,079
▲Incl. ref. EPT	172,723	169,776

§Incl. in curr. assets in co's. report.

Working capital	736,348	670,037

LEGARE CO. net profit for the year ended Sept. 30, 1947, was up 27.2%. Directors have declared a dividend of $2 a share on arrears of dividends on the preferred stock of the company.

INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Net earnings	$550,150	$457,887
Less: Deprec.	42,770	30,383
Int. & disc. (net)	72,061	28,890
Bond & mtge. int.	16,175	16,882
Income taxes♦	203,253	212,062
Net profit	215,891	169,670
Less: Pref. divds.	59,244	59,244
Surplus for year	156,647	110,426
♦Incl. ref. EPT	......	9,849
Times Bond Interest‡ Earned:		
Before deprec.	29.56	25.41
After deprec.	26.91	23.61
‡After deducting interest and discounts.		
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$7.29	$5.73
Incl. ref. EPT	7.29	6.06
Paid	2.00	2.00
Com.: Excl. ref. EPT	17.15	12.52
Incl. ref. EPT	17.15	13.51
None paid.		

CONDENSED BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & Dom. bds.	$32,678	$649,406
Accts. rec.	2,127,991	886,381
Inventories	1,920,178	1,622,865
Total curr. assets	4,080,847	3,158,652
Misc. assets▲	649,179	660,094
Fixed assets*	662,485	623,333
Total assets	5,392,511	4,442,081
Bank loan	935,000	190,000
Accts. & tax. pay.	634,721	1,147,852
Woodhouse & Co.	1,084,123	1,126,040
Other curr. liab.	572,348	98,368
Total curr. liab.	3,226,192	2,562,260
Def. charges	136,921	27,258
Funded debt	264,000	274,800
Capital stock	800,550	800,550
Capital surplus	168,772	137,784
Earned surplus▲	796,076	639,429
*After depr. of	345,091	319,560
▲Incl. ref. EPT	66,520	66,520
Working capital	854,655	596,392

4-Point RMA Plan To Cut Living Cost

National food officers of the Retail Merchants Association meeting in Toronto last week added their suggestions to the drive on rising prices and living costs.

Specifically, in telegrams to Finance Minister Abbott and WPTB Chairman K. W. Taylor, they urged the Dominion Government to:

(1) Remove the ban on imports of fresh fruits and vegetables;

(2) Lift the 8% sales tax on essential manufactured foods (cooked ham, etc.);

(3) Continue rent control on commercial premises;

(4) Cut personal income tax.

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CANADIAN BULWARKS OF DEMOCRACY

FREEDOM OF PERSON

"DEMOCRACY NEVER FAILS US, IT IS WE WHO FAIL DEMOCRACY . . ."

Time: 1947. Place: A country across the water. This is an incident in the life of one John S——. John was a stone mason . . . a good one. His father had taught him the craft. John liked his work . . . relished, with solid satisfaction, the beauty, utility and permanency of shaping things with his own hands. Tomorrow, thought John, he would start work on the archway . . . a labor of love for John.

That night, three uniformed men called on John, gave him ten minutes to pack, bid farewell to his wife and three children. It seemed the Director of Labor needed John, and several hundred other "Johns," for labor on a project in the interior. That was the last the village saw of John.

In Canada, no uniformed bully-boys direct Tom Smith, the carpenter, to labor in the North West Territories. Tom may go to the bush, if he wishes. But, he'll go in his own sweet time. In this country, we may move when we wish, where we wish. We are free men . . . free to turn our hand and brain to what we will. With us, freedom from compulsion is a sacred principle . . . the state is the servant, not the master. Let us keep it so . . . see to it that government does not usurp that right.

In a dangerous world, constant, alert, aggressive vigilance of our liberties is a "must" for all Canadians. Let us resolve to work towards bettering our democracy . . . by co-operation, understanding, of all people, in all fields. Our democracy was builded by humans . . . none of whom was infallible. So, it is obvious, we cannot expect perfection. In the future shaping of our democracy, let us see to it that we preserve for ourselves and the future generations our blessed inheritance, freedom from complusion . . .

FREEDOM OF PERSON.

No. 4 of a series on Canadian Democracy: dedicated to the people of Canada, partners in a true democracy, by:

UNITED DISTILLERS LIMITED
VANCOUVER, B.C., AND GRIMSBY, ONTARIO

BW-4

THIS WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto

WEEK ENDING JANUARY 23

Range 1947-48 High	Low	Div. R'te $	Jan. 23 Y'ld %		Sales	Last Jan. 16	Week end Jan. 23 H	L	Cl'se
21⅛	14⅛	.	...	Abitibi, new	5206	16	15⅞	15	15½
22	17	1.50	7.6	Do. $1.50 p. n.	4732	20	20	19	19⅞
43⅞	35½	2.50	7.0	Do. $2.50 p. n.	50	37½	35½	35½	35½
23½	18½	1.00	5.4	Acadia At. A	10	18⅞	18½	18½	18½
107	100	5.00	5.0	Do. 5% pref.	222	100	100	100	100
11½	8	4.50	..	Acme Glove	50	9½	9	9	9
9⅞	8½	.50	5.6	Agnew Surp.	535	8½	9	8½	9
69½	21		...	Algoma Steel	5285	53	52	47½	48⅞
27⅞	24½	1.00	4.0	Alum. of C. P	1860	24⅞	24⅞	24½	24⅞
228½	188	8.00+†2.00		Aluminum	417	219	219	210	211
15	10	.	...	Amal. Electric	160	12	[illegible]	[illegible]	[illegible]

Range 1947-48 High	Low	Div. R'te $	Jan. 23 Y'ld %		Sales	Last Jan. 16	Week end Jan. 23 H	L	Cl'se
111½	103	5.50	5.0	Do. 5½%	10	110	110	110	110
5½	3½	....	...	Gen. Bakeries	1075	3⅞	3⅞	3½	3½
20	16½	†.75	...	Gen. Prod. A.	75	16½	17	17	17
18⅞	14½	.80	5.2	Gen. St. Wares	745	15⅞	16	15½	15½
108½	103⅞	5.00	4.8	Do. pref.	52	104½	104⅞	103⅞	104⅞
113	95	4.00+†3.00		Goodyear T.	40	108	108	106	106
55½	50	2.00	4.0	Do. pref.	360	51	50⅞	50	50
12	10½	.50	4.8	Gord. MacK. A	25	10½	10½	10½	10½
29⅞	22½	.50+♦.87½		Do. (B)	20	22½	22⅞	22⅞	22⅞

Winnipeg, Calgary and Vancouver

Range 1947-48 High	Low	Div. R'te $	Jan. 23 Y'ld %	
14½	9⅞	.	...	Windsor Hotel
25⅞	12	♦1.00	..	Winnipeg El. A
101	95½	5.00	5.2	Do. pref.
8½	7⅞	.	...	York Knit. A
4½	3⅞	.	...	Do. (B)
38	34½	1.25+†.25		Zellers
27½	26½	1.25	4.7	Do. 5% pref.
29	27	1.50	5.4	Do. pref.

†Paid or payable in 1948. xOn arrears. ‡Extra. •Dividend deferred. *Paid in 1945. ♦Paid in 1947. ‡Paid in 1946. ▲N. Y. funds. §Net after income taxes.

Mining Stocks

Range 1947-48 High, Low; Div. Jan. 23 Rate $, Yield %; Company; Sales; Last Jan. 16; Week Ending Jan. 23 High, Low, Close.

[illegible]

Oil Stocks

High	Low	Div.	Yld.	Company	Sales	Last	High	Low	Close
.40	.18	....	....	Sunset	4,100	.09	.09½	.09	.09
.10	.01½	....	....	Superior	3,000	.26	.25	.24	.24
1.40	1.15	....	....	Three Point	500	.05	.05	.05	.05
.22	.06	....	....	Texas Can.	100	1.35	1.35	1.35	1.35
.28½	.10⅞	....	....	United Oils	13,200	.11	.11½	.10	.10
.54	.14	....	....	Vanalta	4,700	.16	.17	.15	.15
.16	.10	....	....	Vulcan	2,010	.25	.26	.21	.25
.14	.05	....	....	Vul. Brown	500	.13	.16	.16	.16
.09	.01	....	....	Warner	200	.05	.05	.05	.05
.07	.01	....	....	Wellington	1,315	.07½	.07	.06	.06
		....	....	York Oils	2,100	.04½	.05	.04½	.04½

* N. Y. Funds. • Paid in 1945. ‡ Extra
‡ Paid in 1946. ‡ Capital Repayment. ♦ Dividend deferred.
§ Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Jan. 26	167,200	815,000	70,440	820,000
Jan. 24	......	....	......	390,000
Jan. 23	137,000	747,000	53,860	950,000
Jan. 22	173,700	830,000	71,367	1,320,000
Jan. 21	156,600	740,000	73,515	1,420,000
Jan. 20	118,600	627,000	45,150	850,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Jan. 23 Bid	Ask
Do. pref.	1.50	31	31	
Ind. Accept. 4½% pf.	4.25	92	92	..
Do. 5% pf.	5.00	102	92	95
Inter'c. Bak.	3.00+1.00‡	92	101½	102½
Inter'c. Coal pf.	8.00	125	..	83
Inter. Bronze pf.	1.50	25	..	..
Int. Coal & Co.	.03	.38	24	25
Int. Mill pref.	▲4.00	110½	.38	.40
Int. Paper pf.	▲4.00	104	..	..
Jam. Pub. Ser. pf.	[illegible]	[illegible]	102	105

Unlisted Mines

Approximate quotations, 3 p.m., Jan. 26, subject to confirmation:

	Bid	Ask
Abenakis	2½	3½
Advance	4	5
Alcan	2	4
Alexander	4½	6
Aljo	1½	3
Ama Kir	7	9
Anna'que	1½	2½
Argonaut	1½	2½
Audley	1	2
Aurora Y	9	12
Auterra	1½	2½
Baker	3	4
Barb L n	4	6
Beauriv	4	5
Bi-Ore	43	45
Blondor	1½	2½
Blue Grass	1	3
Bouzanne	4	6
Bourl C	2	4
Bradnor	2	4
Br Breest	1	3
Braminco	10	15
Bravo	1	2
Bright RL	3	4
B McDade	6	9
Burley Po	2	3
Camlaren	5	6
Captain	2	4
Carlmac	—	4
Carricona	1½	2½
Cassidy	4	6
Cen Mani	7½	9
Cock RL	4	5
Columbier	2	3
Con Chib	23	26
Con Cop	6½	7½
Courageo	1½	2½
Craibbe	9	11
Croydon	3	5
Cuyuni	55	65
Delhi	3	6
Derlak	3½	5
De Sant n	5½	7
Dom Mal	1½	2½
Dom Nick	4	6
Dona Pat	1½	2½
Durham	10½	13
Doris	3	4
Echo Indin	3½	5
Electra	6	9
Elmac	3	5
Erin Kirk	2	3
Erndale	25	30
Eltoro	22	25
Flicka	2	4
Gan Cop	1½	3
Gilbec	1	2
Goldpac	21	24
Goodrock	1½	2½
Gord Lebel	8	10
Gov Gold	4	6
Grnd Chib	20	35
Grnleduc	38	42
Greenlee	5	8
Grndhog	10	15
Gulf L	155	170
Gwilliam	4	5
Halden	7	9
Habitant	4	6
Harp Mal	1½	2½
Hayes Cd	1½	2½
Hornfault	7	9
Hugh Pam	16	17½
Independ	5	7
Joannes D	1½	3
Kamlac	10	12
Ken-Bay	7	9
Kencour	3	5
Kenda Pe	10	13
Kenroy	1	2
Lk Expa	7	10
Lar-Add	2	4
La Salle	6½	7½
Lavalie	2½	3½
Legardo	2½	3½
Lennie	2	4
Lingnora	10	12
Macho-R	11	14
Major Oil	3½	4½
Malen RL	4	6
Marbenor	9	11
Marquette	2	4
Mar Bird	3½	4½
Mary Ann	—	7
Mat Con	35	40
Mate Yel	2½	4
Metalore	2	4
Miles RL	16	18
Mink	4	6
Mistassini	10	12
Moffat H	1½	2½
Mowhawk P	3	5
Murbell	1	2
Murmac	5	7
McCuaig	6	8
McManus	6	8
National M	2	3
Naybob '45	27	30
Newcore	31	35
New Aug	11	13
New Mal	2	3
New Ranch	5½	6½
N. Offsets	225	300
Nickel L	—	25
Norbeau	62	65
Norcourt	3	4
Norford	2½	3
Normar	6	8
Nortyne	1	3
Novelle P	5	7
Obalski	4	7
Abaski '45	11	13
Obaska	12	15
Oklend	5	6
Olivet	2	3
Opemiska	13	15
Orofino	25	28
Ortona	4½	4½
Palermo	—	20
Pascalis	16	18
Peg Tant	—	40
Pelangio	3½	4½
Payne	6	8
Phelps	1½	2½
Pinnacle	2½	3½
Poona Go	1	3
Preador	2	3
Princess	10	12
Princeton	—	20
Privateer	25	30
Quejo	5	7
Quest	2½	4
Rajah RL	2	3
Rambull	—	2
Rand Mal	5	7
Randona	3	5
Raymond	2	3
Rebair	—	2½
Redruth	1	3
Redwood	6	7
Richgroup	4	6
Rhyolite	1½	2½
Russet	4	6
Salmita	8	10
Santiago	13	15
Sepha	2	4
Sheldon	14	16
Silv Arrow	20	22
Skynner	2	4
Sovereign	1	3
Starlight	4	6
Steeber	1	1½
Sun Bear	2½	4
Thornhill	1	2
Tiffany	1	2
Tobico	1	2
Tovarich	1½	2½
Universal	3	5
Val D'Bel	1½	2½
Vermil C	20	22
Viking	20	22
Villa Lead	—	25
Vincent	6	8
Vinray	5½	6
Wesley	1	2
West RL	1½	2½
Wilwood	1	2
Yellknfe	240	270
do vt	210	240
Y David	18½	20

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. and Intercity Securities Corp.) Jan. 26, 1948

	Bid	Ask.
Aikenhead Hardware	75.00	80.00
Acadia Apts. com.	12.00	14.00
Allens Kingston units	75.00	....
Allens London Theatre pfd.	60.00	....
Allens Toronto units	40.00	....
Anglo Amer. Timber	....	1.25
Anglo Can. Telephone A	10.25	11.25
Barrymore Cloth pf.	77.00	....
Beach Foundry pfd.	90.00	....
Beauharnois L. H. & Pwr.	8.25	9.50
Guelph & Ont. Svgs. $50 p.	61.00	....
Gurney Foundry com.	20.00	....
Halifax Ins.	15.00	18.50
Hart Battery com.	7.50	9.00
Highland Dairy pfd.	53.00	....
Homewood Sanitarium	120.00	....
Hudsons Bay ord.	10.00	13.00
Imperial Life	350.00	380.00

[illegible]

Stocks Not Traded This Week (Continued)

	Div.	Last	Bid	Ask
St. Law. Flour pf.	7.00	33	28½	35
St. Law. Paper, 1st pf. n.	7.00	151	151	155
Stand Clay.	...	90	..	92½
St. Pav. pf.	.62½+†.25	13½	13½	..
Stanley Brock	.60	20	19½	20½
Do., B	.40	9½	9½	10
Sterling Coal	...	6	5½	6
Stowell A pf.	1.50	10	10	12
Do. B	...	23	20½	24
Stuart, D. A., p.	.80♦.60	6	..	6
Sup. Pete Ord.	2.00	20	18	20½
Do. com.	2.00	51½	..	50
Do., pref.	2.00	52	..	..
Tamblyn pf.	1.50	27½	..	..
Thayers	2.00	51	50	51½
Do. pref.	...	9	8½	..
Theatre Props	†2.50	33	35½	..
Tip Top Can. A	...	5	5	7
Toronto Gen. Tr.	.50	10	9½	9½
Toronto Iron	7.00	172	172	..
Traders Fin. B	.60	9	9	9½
Do. 4½% pref.	1.00+†.25	39	39½	48
Do. A rights	4.50	102½	..	99
Do. B rights	1.00	21½	21	24
Tuckett Tob. P.	1.00	21½	..	..
Un. Amuse. A	7.00	165	..	182
Do. B	1.50	34	31	..
Un. Corp. A	♦1.50	34	31	..
Viau Ltd. pf.	1.50	29½	29½	29½
Viceroy	5.00	101	101	..
Vir. Dare 5% pf.	.36	9½	9½	9½
Waterous Ltd. A	1.25	33	22½	24
West Koot., pf.	.80	14	..	14½
West Grain	7.00	173	..	..
Do. pref.	...	1.00	..	1.00
Westminster Pap.	...	♦47½	19	21
Willson Stat.	.80	19	..	19
Do. pref.	...	6.50	6.25	10
Wood, A.&J.P.	5.00	100	80	..
Woods Mfg. pf.	7.00†♦1.75	127	125	130
Wool, Combing	2.00	54	..	50
	1.00	24	21½	23½

*Paid in 1945. ▪Paid in 1946 ‡Extra
xOn arrears. †Paid or payable in 1948.
▲N.Y. funds. ♦Paid in 1947. §Net after income taxes. ♦1946 quote.

Mining Stocks

		Last	Bid	Ask
Alta.	...			
Amer. Neph.	...	.10	..	.10
Atlas Y'fe.	...	.41	..	.49
Bayonne	...	.12	.11½	.13½
Beaucourt	...	.06½	.06	.07
Brazil Gold	...	.24	.10	.19½
Calder B.	...	.01	.02½	..
Celta Devel.	...	.10	.10	.18
Cent. Manitoba	...	.06	.06	.08
Coast Copper	...	.09	.07½	.09
Cryderman	...	1.25	1.00	1.30
Dickstone L.	...	.01½	.01½	.02
Douglas L.	...	.04	.04	.10

		Last	Bid	Ask
Merland	...	.01	.01	..
New Valley	...	.02	.02	.02½
Petrol O.	...	.03½	.02½	.05
Richland	...	.15	.10	.18
Royal Crest	...	.04	..	..
Share Roy.	...	.03½	.02½	.03½
Spooner	...	.07	.06½	.07½
Turner V.	...	.16	.16½	.20
	...	.23	.20	.40

†Paid or payable in 1948.
♦Paid in 1947.
‡Paid in 1946.
•Paid in 1945. *N.Y. Funds.
♦Dividend deferred.

Company Meetings

1948	Company	Place
Jan. 29	Canada Life Assur.	Toronto
Jan. 29	H. R. MacMillan Ex.	Vancouver
Jan. 30	Brand.-Henderson	Montreal
Jan. 30	Can. Perm. Mtge.	Toronto
Jan. 30	Can. Car & Fdry.	Montreal
Jan. 30	Legare Co.	Montreal
Jan. 30	New Calumet M.	Montreal
Jan. 30	Western Life Assur.	Hamilton
Feb. 2	Equitable Life	Waterloo, Ont.
Feb. 3	Commercial Life Assur.	Toronto
Feb. 3	Grt. West Life Assur.	Winnipeg
Feb. 5	Mutual L. Assur.	Waterloo, Ont.
Feb. 9	Cons. Fire & Cas. Ins.	Toronto
Feb. 9	Mtl. C. & D. Sav. Bk.	Montreal
Feb. 10	Candn. Fire Ins.	Winnipeg
Feb. 10	Candn. Indemnity	Winnipeg
Feb. 10	Royal Trust	Montreal
Feb. 10	Sun Life Assur.	Montreal
Feb. 11	Huron & Erie Mtge.	London
Feb. 11	Northern Trust	Winnipeg
Feb. 12	Excelsior Life Insur.	Toronto
Feb. 13	Dom. Life Assur.	Waterloo, Ont.
Feb. 17	Beatty Bros.	Fergus, Ont.
Feb. 18	British Northwest. Fire	Toronto
Feb. 18	Guarantee Co. of N. A.	Montreal
Feb. 18	Security Natl. Insur.	Toronto
Feb. 23	Cinzano Ltd.	Montreal
Feb. 23	Montreal Life Ins.	Montreal
Feb. 24	Argus Corp.	Toronto
Feb. 24	Confederation Life	Toronto
Feb. 26	Bell Telephone	Montreal
Feb. 27	Bruck Silk	Toronto

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Can. Nat. Rlwy. 15-yr. gtd. bds.	4%	1952	Feb. 1	100
‡Do. 17-yr. gtd. bds.	3%	1953	Feb. 15	100
T. Eaton Realty Co. 1st mtge. ser. A	4%	1951	Jan. 30	100
‡Garment Centre Cap. Inc. gen. mtge. bds.	5%	1960	Feb. 1	100
§Gt. Lakes Power 1st mtge.	4½%	1956	Feb. 2	102

‡All outstanding.
§Includes accrued interest.

Government Bonds

Jan. 27, 1948 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	103	104½
3	Mar. 1954 ...	104½	105
3	Nov. 1956 ...	103½	104½
3	May 1957 ...	102½	103½
3	Jan. 1959 ...	101¾	102¾
3	June 1960 ...	101½	102½
3	Feb. 1962 ...	101½	102½
2¼	Mar. 1948 ...	100	100¼
1½	Mar. 1948 ...	99¾	100¼
1½	Nov. 1950 ...	100¾	101
3	Oct. 1963 ...	101½	102½
3	Sept. 1966 ...	101½	102½
1½	Nov. 1949 ...	100¾	101
1½	Nov. 1948 ...	100¼	100⅝
Dom. of Canada Bonds:			
2¾	Nov. 1951 ...	101½	102
3¾	Feb. 1952 ...	103½	104¾
3	Oct. 1953 ...	102	102¾
3	June 1955 ...	102¾	103½
3	June 1958 ...	102½	103½
4½	Nov. 1959 ...	104¾	105½
2¾	June 1966 ...	103½	104½
3	Perpetual ...	100	101½
4½	Nov. 1958 ...	102½	102¾
Dom. Guarant'd Bonds Can. Nat. Railways:			
3	Jan. 1959 ...	101½	102¾
4½	Sept. 1951 ..	*106½	*107½
4½	Feb. 1956 ..	*111½	*113
4½	July 1957 ..	*112	*114
3	Feb. 1953 ...	99¾	100¾
4¾	June 1955 ..	*112	*113½
5	Feb. 1954 ...	112½	114½
5	Feb. 1970 ..	*106½	*110½
5	Oct. 1969 ..	*108½	*110½

%	Due	Bid	Ask
Can. Nat. W. Ind. S.S.:			
5	Mar. 1959 ..	*110½	*111½
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	*98½	*101
4	Jan. 1962 ..	*110	*112
Montreal Harbour Com.:			
5	Nov. 1969 ..	*108½	*110
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956 ...	100½	103½
4½	Apr. 1961 ...	115	117½
5	Jan. 1960 ...	118½	121
2¾	June 1966 ...	92½	94½
Nova Scotia:			
3	Jan. 1953 ...	101½	103
3½	June 1956 ...	102	104½
3½	Nov. 1950 ...	102½	103½
4½	Nov. 1960 ...	120	123
5	Mar. 1960 ...	123½	126½
3	June 1958 ...	100½	102½
Ontario:			
3½	Nov. 1951 ...	102	103
3½	May 1955 ...	103½	104½
4	June 1962 ...	119	122½
4½	June 1950 ...	105	106½
4½	Jan. 1962 ...	124½	127½
5	Oct. 1948 ...	101¾	102¾
5	Dec. 1960 ...	128½	131½
2¾	July 1976 ...	95	96½
Ont. Hydro Commission:			
3½	Feb. 1953 ...	101¾	103
4	Aug. 1957 ...	115	118
2¾	June 1971 ...	95½	96½
Prince Edward Island:			
4	Mar. 1954 ...	102	104

%	Due	Bid	Ask
Quebec:			
3½	Mar. 1959 ...	102½	104½
3¾	Feb. 1955 ...	103½	105
4½	Aug. 1958 ...	109¾	111¾
4½	Jan. 1963 ...	114	116
3	Feb. 1962 ...	100	101½
4	Nov. 1952 ...	103½	104¾
Alberta:			
3½	June 1964 ...	99	101
3¾	June 1959 ...	102½	104½
3½	June 1972 ...	100	102
British Columbia:			
4	Dec. 1957 ...	112	116
4½	Jan. 1961 ...	112½	115½
4½	Oct. 1953 ...	113½	117
5	Apr. 1954 ...	117	120½
2¾	Apr. 1966 ...	96½	98½
5	Sept. 1952 ...	100½	113½
Manitoba:			
4	Dec. 1957 ...	112½	116
4½	Dec. 1956 ...	116½	119½
5	Dec. 1959 ...	122	125
5½	Oct. 1955 ...	115	118
Saskatchewan:			
4	Sept. 1954 ...	99	101½
4	Nov. 1960 ...	99	102
4½	Oct. 1961 ...	106½	110
5	Aug. 1958 ...	105½	108½
4½	Mar. 1960 ...	104	107
5	Dec. 1959 ...	107½	110½
5½	Oct. 1952 ...	105½	108
6	Mar. 1952 ...	106½	108½

*N. Y. funds.

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surp. Shoe	.12	Mar. 1	Jan. 30
Aluminium Ltd.	2.00	Mar. 5	Feb. 6
Aluminum Co. 4% p.	.25	Mar. 1	Feb. 4
Anglo-Candn. Tel. 4½% pf.	.56¼	Feb. 2	Jan. 9
Anglo-Huronian	.10	Jan. 30	Jan. 8
Argus Corp.	.15	Mar. 1	Jan. 31
Do. 4½% pfd.	1.12½	Mar. 1	Jan. 31
Atlas Steels	.25	Feb. 2	Jan. 16
Do.	.30	Feb. 2	Jan. 16
Ault & Wiborg 5½% pf.	1.37½	Feb. 2	Jan. 15
Bank of Montreal	.30	Mar. 1	Jan. 31
Bank of N. Scotia	.30	Feb. 2	Jan. 16
Bank of Toronto	.30	Mar. 1	Feb. 14
Bath'st Pr. & Pa. A	.37½	Mar. 1	Feb. 3
Beaver Lumber	.50	Feb. 1	Jan. 10
Do., class A	.25	Apr. 1	Mar. 10
Do., pfd.	.25	Apr. 1	Mar. 10
Belleterre Que.	.10	Mar. 15	Feb. 16
J. Bertram & Sons A	.25	Feb. 16	Jan. 31
Do. B	.05	Feb. 16	Jan. 31
Blue Ribbon Corp. 5% pf.	.62½	Feb. 1	Jan. 21
Bowes Co., A	.12½	Feb. 14	Jan. 31
Brant. Roofing	.40	Feb. 2	Jan. 15
B. C. Forest	.15	Feb. 2	Dec. 15
B. C. Pulp & P. 7% p	1.75	Feb. 1	Jan. 15
British Rub. 5% pf.	1.25	Jan. 31	Jan. 12
Stan. Brock A	.15	Feb. 1	Jan. 10
Do. B	.10	Feb. 1	Jan. 10
Bruck Silk Mills	.30	Mar. 15	Feb. 16
Burns & Co., A	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
B'terfly Hos., 7% p.	3.50	Jan. 31	Dec. 31
Canada Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Safeway 4½% p	1.12½	Mar. 1	Feb. 14
Can. South. Rly.	†1.50	Feb. 2	Dec. 26
Can. Starch 7% pf.	3.50	Feb. 16	Feb. 9
Can. West Cord. A	.12½	Feb. 2	Dec. 31
Can. Bk. of Com.	.20	Feb. 2	Dec. 31
Can. Car & Fdry.	.20	Feb. 23	Jan. 29
Do., Cl. A	.25	Feb. 23	Jan. 29
Can. Convert. A	.18¾	Jan. 31	Dec. 30
Candn. Breweries	.50	Apr. 1	Feb. 27
Candn. & For. sec.	.16	Feb. 2	Jan. 2
Candn. Invest. Corp.	.10	Feb. 2	Jan. 5
Candn. Inv. Fund sp. & ord.	.05	Feb. 2	Jan. 15
Candn. Bronze	.50	Feb. 2	Jan. 9
Do. 5% pfd.	1.25	Feb. 2	Jan. 9
Candn. Oil	.20	Feb. 16	Jan. 20
Candn. Util. 5% pf.	1.25	Feb. 16	Jan. 29
Can. Pac. Rly. pf.	2%	Feb. 2	Dec. 31
Candn. West. Lumb.	.10	Apr. 15	Mar. 18
Do.	.10	Jul. 15	June 17
Do.	.10	Oct. 15	Sept. 17
Can. Vickers 7% pf.	1.75	Feb. 1	Jan. 10
Celtic Knitting	.30+.20	Jan. 31	Jan. 12
Chartered Trust	1.25	Apr. 1	Mar. 15
Chesterville Mines	.05	Apr. 30	Apr. 9
Cinzano Ltd., A	4½d	Mar. 15	Mar. 1
Do., 5½% pfd.	2¼%	Mar. 31	Mar. 15
Coch.-Dunlop Hdwre. A	.20	Feb. 15	Jan. 31
Do., pfd.	.30	Feb. 15	Jan. 31
C'monwealth Intnl.	.04	Feb. 15	Jan. 15
Conduits Nat.	.25	Feb. 9	Jan. 30
Consol. Bakeries	.25	Apr. 1	Mar. 6
Consumers Glass	.50	Feb. 28	Jan. 27
Cosmos Imp'r'l	.25+.25	Feb. 14	Jan. 31
Crown Cork & Seal	.50	Feb. 16	Jan. 16
Davis Leather A	.37½	Mar. 1	Feb. 2
Do. B	.17½	Mar. 1	Feb. 2
Disher Steel pf.	.37½	Feb. 2	Jan. 24
Dome Mines	.25	Jan. 30	Dec. 30
Dom. Bank	.25	Feb. 2	Jan. 15
Dom. Bridge	.30	Feb. 25	Jan. 30
Dom. Coal 6% pfd.	.37	Jan. 31	Dec. 29
Dom. Fabrics	.20	Feb. 2	Jan. 15
Do. 1st pf.	.75	Feb. 2	Jan. 15
Do. 2nd pf.	.37½	Feb. 2	Jan. 15
Dom. Malting	.25	Feb. 2	Dec. 31
Do. 5% pfd.	1.25	Feb. 2	Dec. 31
Do. ext.	.10	Jan. 30	Jan. 19
Dom. Oil	.40	Jan. 31	Dec. 31
Donnacona P. p 4½%	1.12½	Feb. 18	Jan. 16
Dryden Paper	.25	Feb. 1	Dec. 31
Eastern Theatres	1.00	Feb. 7	Jan. 15
Empire Life Ins. 20-25% pd.	4%	Mar. 1	Feb. 1
Enamel & Heat.	.50	Jan. 31	Dec. 31
Esmond Mills 5% pf.	.25	Feb. 1	Jan. 8

	This payment $	Date payable	Date of record
Fleury-Bissell pf.	.25	Jan. 31	Jan. 15
A. J. Freiman	.12½%	Feb. 1	Jan. 15
Do., 4½% pfd.	1.12½	Feb. 1	Jan. 15
Gen. Steel Wares	.20	Feb. 16	Jan. 16
Do. 5% pf.	1.25	Feb. 2	Jan. 12
Goodyear Tire pf.	.50	Jan. 31	Jan. 16
Gt. West Coal	.40	Feb. 15	Jan. 31
Gypsum Lime	.25	Mar. 1	Jan. 31
Do.	.25	Jun 1	May 2
Do.	.25	Sep. 1	July 31
Do.	.25	Dec. 1	Nov. 30
Ham. Cotton	.22½	Mar. 1	Feb. 10
Hayes Mfg. 4½% p	1.12½	Jan. 31	Jan. 21
Home Oil	.25	Mar. 10	Jan. 30
Hudsons B. ord.	4%-2½%	Feb. 2	Jan. 10
Hudson Bay M. & S.	1.00	Mar. 8	Feb. 6
Imp. Tob. 4% pf.	.25	Feb. 2	Dec. 23
Inter-City Bak. Do., ext.	1.00	Jan. 31	Jan. 21
Intnl. Metal Ind., A	.40	Apr. 1	Mar. 8
Do., B	.40	Apr. 1	Mar. 8
Do., 4½% pfd.	1.12½	Apr. 1	Mar. 8
Intnl. Nickel 7% pf	†1¾%	Feb. 2	Jan. 2
Intnl. Paper 7% p.	†1¾%	Feb. 2	Jan. 2
Intnl. Utilities	†.23½	Mar. 1	Feb. 10
Kelvinator of Can.	.37½	Mar. 20	Mar. 5
Kerr-Addison	.03	Feb. 27	Jan. 31
Lamaque Gold	.08	Feb. 2	Dec. 4
Laura Secord	.20	Mar. 1	Feb. 2
Legare Co. 6% pf.	2.00	Feb. 16	Jan. 23
Leitch Gold	.02	Feb. 16	Jan. 30
Lewis Bros.	.25	Jan. 31	Dec. 31
Loblaw Groc.	†.20	Feb. 28	Feb. 6
Loblaw Groc. A & B	.25	Mar. 1	Feb. 2
McCabe Grain A	.15	Feb. 1	Jan. 15
Do. B	.10	Feb. 1	Jan. 15
McIntyre-Porc.	†.50	Mar. 1	Feb. 2
Mercury Mills	.25+.25	Feb. 1	Jan. 15
Mid. & Pac. Gr.	.25	Feb. 2	Jan. 15
J. S. Mitchell & Co.	.75	Apr. 1	Mar. 15
Montreal Cot.	.13	Mar. 15	Feb. 13
Do., pfd.	.44	Mar. 15	Feb. 13
Mt. Royal Rice	.12½	Jan. 31	Jan. 15
North. Frosted Fds. 7% pfd.	.07	Feb. 2	Oct. 31
O'Brien Gold	.03	Feb. 22	Jan. 22
Ogilvie Flour Mills	.25	Apr. 1	Feb. 25
Do., 7% pf.	1.75	Mar. 1	Jan. 28
Ont. Steel Prod.	.25	Feb. 15	Jan. 15
Do., 7% pfd.	1.75	Feb. 15	Jan. 15
Peller Brew. 5½% pf.	.68¾	Jan. 31	Jan. 12
Penmans Ltd.	.75	Feb. 16	Jan. 15
Do., 6% pfd.	1.50	Feb. 2	Jan. 2
Prov. Trans.	.40	Feb. 16	Feb. 2
Purity Flour	.25	Mar. 1	Feb. 6
Do. Pfd.	.62½	Feb. 2	Jan. 6
Quebec Pwr.	.25	Feb. 25	Jan. 16
Quinte Milk A	.15	Feb. 1	Jan. 23
Reitman's (Can.) 5% pf.	.25	Feb. 1	Jan. 15
Robinson Cot.	.10	Feb. 2	Jan. 1
Rolland Paper	.15+.15	Feb. 16	Feb. 2
Royal Bank	.25	Mar. 1	Jan. 31
St. Law. Flour	.40	Feb. 2	Dec. 31
Do. 7% pfd.	1.75	Feb. 2	Dec. 31
Scythes & Co.	.19	Mar. 1	Feb. 18
Do., 5% pf.	.31¼	Mar. 1	Feb. 18
Seiberling Rub.	.25+.50	Feb. 16	Feb. 6
Shawin. W. & Pwr.	.30	Feb. 25	Jan. 16
Shea's Brewery A	.27½	Feb. 15	Jan. 31
Do., B	.75+.25	Feb. 15	Jan. 31
Sheep Creek ord.	.20+.20	Feb. 1	Jan. 10
Silverw'd Dair., A	.15	Apr. 1	Mar. 10
Do., B	.30	Apr. 1	Mar. 10
Silverwood West. Dairies 5% pf.	1.25	Apr. 1	Mar. 10
Simpsons A	.75	Feb. 25	Feb. 2
Do., 4½% pf.	1.12½	Mar. 15	Feb. 16
N. Slater	.30+.30	Feb. 2	Jan. 10
How. Smith Pap.	.25	Jan. 30	Dec. 31
Southam Co.	.25	Feb. 16	Jan. 16
South. Can. Pwr.	.30	Feb. 16	Jan. 20
Stadacona Mines	*.03	Feb. 16	Jan. 15
Standard Chem.	.10	Mar. 1	Jan. 30
Do., 5% pfd.	1.25	Mar. 1	Jan. 30
Stand. Fuel 4½% pf.	.56¼	Feb. 2	Jan. 15
Stand. Pav. pf.	.62½+.25	Apr. 1	Mar. 1
Do. com.	.25	Apr. 1	Mar. 1
Steel Co. ord.	.75	Feb. 2	Jan. 7
Do. 7% pfd.	.75	Feb. 2	Jan. 7
Teck-Hughes	.05	Feb. 2	Dec. 4
United Corp. A	.38	Feb. 14	Jan. 15
Do. B	.25+.30	Feb. 28	Jan. 31
United Dist.	.60	Jan. 31	Jan. 19
Walker-G. & W.	.37½	Mar. 15	Feb. 13

†N. Y. funds. *Initial.
‡Arrears on Feb. 1/48 $36.75.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 6	Oils 6	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	307.9	148.7	133.7	214.4	135.5	447.0	168.5	146.2	136.3	140.0	126.1
Low	69.7	51.8	61.8	61.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	106.2
Feb.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	109.4
Mar.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	106.4
Apr.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	104.8
May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	104.4
June	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	105.3
July	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	107.4
Aug.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	105.5
Sept.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	104.1
Oct.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	105.5
Nov.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	107.3
1947: Weekly Figures:												
Dec. 4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	106.1
Dec. 11	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	106.4
Dec. 18	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dec. 26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1948: Weekly Figures:												
Jan. 2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	106.9
Jan. 8	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	109.7
Jan. 15	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	108.3
Jan. 22	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	104.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Jan. 26	[illegible]	[illegible]	[illegible]	[illegible]
Jan. 24	[illegible]	[illegible]	[illegible]	[illegible]
Jan. 23	171.97	49.94	32.36	62.02
Jan. 22	172.15	50.00	32.37	62.08
Jan. 21	173.53	49.73	32.71	62.39
Jan. 20	[illegible]	[illegible]	[illegible]	62.97
Month ago	[illegible]	[illegible]	[illegible]	64.29
Year ago	177.28	49.46	36.36	63.96
1947-48 high	186.85	53.42	37.55	67.10
1947-48 low	163.21	41.16	32.28	57.33

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 26	165.00	99.14	88.62	32.71
Jan. 24	.....	.....	.....	.....
Jan. 23	165.37	95.97	86.68	32.17
Jan. 22	165.56	96.43	86.46	32.39
Jan. 21	166.17	97.39	87.04	33.17
Jan. 20	167.13	97.79	86.99	34.01
Month ago	170.04	105.28	85.81	31.70
Year ago	178.57	113.19	90.04	22.78
1947-48 high	184.21	120.26	96.14	37.77
1947-48 low	159.82	95.97	77.91	22.28

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Jan. 26	73.7	116.2	102.0	322.56	71.27
Jan. 24	...	.....	.....	.....	....
Jan. 23	73.7	115.9	101.8	323.66	71.41
Jan. 22	73.8	118.4	103.5	324.22	71.53
Jan. 21	73.8	118.7	103.7	322.77	71.58
Jan. 20	74.4	120.3	106.0	336.60	71.44
Month ago	73.9	124.1	107.3	365.79	75.22
Year ago	75.5	125.3	106.6	337.60	73.21
'47-'48 high	74.5	128.1	108.1	371.48	74.80
1947-48 low	73.2	115.9	101.8	322.56	71.27

Investment Trusts

	Bid	Asked
Affiliated Funds	3.72	4.07
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.40	4.85
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.35	3.68
Corporate Invest.	8.73	9.40
Trans-Canada, A	13.10	....
Do., B	....	12.90

Stock Redemption

Company:	Rate	Date	Price
‡Dom. Env. pf.	7%	Mar. 1	55

‡All outstanding shares.

Municipal Bonds

Jan. 27, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55	99	107	3.42
Vancouver	3	'67	95½	98½	3.10
Calgary	3½	'51 61	100½	102½	2.62
Edmonton	3½	'49-59	100	102	1.92
Regina	3	'64	95	98	3.15
Moose Jaw	3-3½	'60	98	101	3.20
Winnipeg	2¾	'66	96	99	2.82
Ottawa	3	'64	102	104	2.33
Toronto	2¾	'72	95	98	2.87
Hamilton	3	'53	102	104	2.18
Windsor	2½	'75	73½	76½	3.88
Windsor	2¾	'75	78½	81½	3.83
Windsor	3½	'73	92½	95½	3.77
Montreal	3	'70	96	99	3.06
Quebec	2¾	'66	93	95	3.11
Halifax	3	'66	96	98	3.14
Saint John	3½	'65	101	104	3.26

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.27	$15.11	$13.45
Hogs	28.10	28.10	21.97
Copper, lb.	.21½	.21½	.19½
Sugar, raw, lb.	.0515	.0519	.0594
Coffee, lb.	.26½	.26½	.27½
Hides	.31½	.31	.22½
Weekly Indices			
U. S. Labor	164.5	164.4	140.0
Dow Jones	168.50	164.27	117.56
Fishers	172.0	171.8	152.3
Monthly Indices			
Retail (Dec.)	146	143.6	127.1
W'sale (Nov.)	142.5	139.3	111.6
U. S. (Oct.)	158.5	157.4	134.1
Gt. Brit. (Oct.)	199.3	195.2	177.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Market Comment

What stocks and bonds are doing and what prominent observers say.

Chief market effect of the devaluation of the French franc on this continent was a strengthening in bids of several of the senior gold producers. There was little or no effect on industrials.

Despite Britain's avowed intentions of protecting her currency from the upsetting influences of the French move, some authoritative economic experts view the action as handwriting on the wall, forecasting further currency devaluations. Britain will have to cut costs substantially in many of her traditional export lines if she is to regain postwar trade positions and maintain the pound at its present level.

Investment enthusiasm continues at such low ebb as completely to disregard any market attempts at rally. Current uncertainties in this the real "reconversion year" are far from conducive to any broad change in market sentiment. New York investment houses report large replacement funds still uninvested, and the day-to-day market action largely a professional affair. Technically, however, with some important help from news the market could generate a modest upward move at this time.

G. R. Gardiner; Gardiner Watson & Co. (Toronto): "During the past year prices have maintained the high levels of the year before and in many cases have exceeded them. Buyers are clamoring for goods both for prompt and future delivery. The complaint is still inadequate production. The steel trade is jammed with orders. Manufacturers flourish, for the demand seems well-nigh insatiable."

Although these statements could easily have been read in today's newspaper, they were taken from an editorial in the Monetary Times of Jan. 9, 1920. It was only a few months after this that the stock market, and then commodity prices, tumbled. Therefore, it is important to study this period, when prognosticating the stock market trend for 1948.

The price structure pattern has been very similar. Editorials of January, 1920, relative to cost of living and business conditions are identical to ones of today.

There is a difference, however, in the stock market of that period. Most stock prices were higher in relation to earnings then than today. Abitibi on Jan. 2, 1920, was selling at 14 times earnings. Spanish River was selling at eight times earnings, Dominion Glass eight times earnings, and Canada Cement 17 times earnings.

Because of the experience of 1920, the prices of present-day stocks have discounted the recession, which is expected by most observers. If there is no sharp decline in commodity prices and in earnings in the near future it is quite possible that the market has overdiscounted the bad news of tomorrow.

W. M. MacDonald & Co. (Toronto): We thoroughly believe that gold stocks are in a buying range at present levels. Since early 30's, the Toronto Stock Exchange gold index has only broken to lower levels on two occasions — at the outbreak of war, when it was depressed below current levels for about two months, and in 1942, when it appeared as if all mines might have to close up.

Devaluation of the franc increases the possibility of further European currency drops, with a consequent added importance placed on gold. On the other hand, the near-time outlook for development of smaller mines has hardly ever looked worse. Financing conditions are at low ebb and development costs continue at record highs.

* * *

Investment Management Dept. of Calvin Bullock (New York): With respect to the stock market, we believe that 1948 will be another year in which selection will prove of more than usual importance. With regard to the market as a whole, we do not consider it vulnerable to any substantial decline, inasmuch as stocks by their extremely low price-earnings ratios are already discounting a substantial decline in corporate earnings. Moreover, there are certain potentially constructive factors in the outlook, such as a probable reduction in individual income taxes, which will add to consumer purchasing power, and the strengthening factor of a stabilization of long-term interest rates. Nor . . . do we consider that a severe depression can occur in the face of a well-sustained level of purchasing power and a substantial unsatisfied need for major capital goods — housing and automobiles. Rather, we envisage on a broadening scale a readjustment, albeit, painful in certain cases, to more normal competitive conditions, provided that we do not tinker with large-scale deflationary credit measures.

* * *

E. F. Hutton & Co. (New York): Production and consumption of the major nonferrous metals in the first half of 1948 are expected to show little variation from the high level currently prevailing. Heavy demand in the United States and abroad, persists, while output has been hampered by insufficient labor or fuel and, in this country, by cessation of government subsidy. Prices of copper, lead and zinc have remained firm despite general forecasts of some decline in the latter part of 1947; the outlook is for little change in price in the first six months of 1948. Present world conditions indicate that military stockpiling may accelerate.

* * *

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Jan. 27, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
‡Alg. Cen. H.B.R.	5	'59	68	71	68½
†Assoc. Tel. & T.	5½	'55	107	...	107
Bell Telephone	3	'77	96	99	96½
B. C. Electric	3½	'67	95	97½	95
East Kootenay	3¾	'67	93½	96	93½
‡Gatineau Pr. D	3½	'70	98	100½	98
*Do., C	3	'70	92½	96½	90
Gt. Lakes Pwr.	3½	'67	95	98	98
†Unt. Hydro-El.	6	'44	65½	68½	65½
L. St. Law. Pr.	3¾	'65	99½	102½	99½
†Mtl. Trams. A	5	'55	98	100	101
Nat. Lt. & Pr.	4½	'61	101	...	101
Ott. L.H. & P.	4	'57	100½	...	100½
Power Corp.	3½	'67	95½	98½	96
Quebec Pwr.	3	'62	96½	99½	96½
St. Maurice Pr.	3½	'70	95½	98½	96½
Shaw W. & Pr.	3	'71	94	97	94
Do.	3½	'70	100½	103	100½
Union Gas	4½	'50	99½	...	99½
United Secs.	3	'55	99	...	99
Wpg. El.	3¾	'71	101½	104	101½
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	96½	99	97
Acadia-Atlantic Sugar	3¾	'65	100½	102½	100½
Aluminum Co.	3½	'74	101½	104½	101½
B. C. For. Pdcts.	4	'66	93½	96	93
B.C. Pulp & P.	3½	'67	94½	97½	95½
Bowater's Nfld. P. & P.	3½	'68	98½	100½	98½
†Brown Co.	5	'59	99	102	100
Burns & Co.	4	'63	98	101½	98
Can. Steamship	3½	'57	99½	102½	99½
Can. Brews.	3½	'67	95	98	94
Can. Celanese	3	'62	97½	100	97
Can. Oil	3½	'62	97½	100½	97½
Can. West Lum	4	'62	98½	101½	98
C. P. R.	3½	'51	104	...	104
Do.	4	'49	101½	...	101½
C.P.R.	4 Perp		112	...	112
Consol. Paper	3½	'67	98	100	98½
Dom. Coal	4½	'52	100½	...	100½
Dom. Scott Inv.	3	'64	93	97	93
Dom. T. & Ch.	3½	'57	100½	103½	100½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woollens	5	'64	100	103	100½
Dryden Pap.	4	'61	99½	...	99½
E. B. Eddy	3½	'66	97½	100½	97½
Federal Grain	4	'64	97½	100½	97½
Ham Cotton	3½	'59	99½	...	99½
Imperial Tobac.	3½	'66	95½	98½	95½
Indust. Accept.	3½	'66	95	97½	95
Lake St. J. P.	3½	'61	102½	105	102½
Do.	3	'61	101½	103½	101½
Legare	6	'61	100	...	100
MacMillan (H. R.) Export	4	'65	100	103	100
Maple L. M.	3¾	'62	98	101	98
Massey-Harris	3	'66	92½	95½	92
McColl Fron.	3	'71	94	97	94½
McCormicks	4	'62	99½	...	99½
Mercury Mills	4	'59	100	103	100
Moire Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	94	97	94
N.S. Stl Coal	3½	'63	94½	97½	95
Price Bros.	3½	'66	98	101	98
Silv. Dairies	4	'60-64	100	103	100
Do.	4	'71	97	101	97
Simpsons Ltd.	3½	'60	101½	104½	101
Steel Co. of Can.	3¾	'67	94½	97½	94½
Toronto Elevat.	3½	'66	101	104	101
United Corp.	4	'58	99	102	99
†Western Grain	5	'62	82½	85½	83½
York Kt. Mills	3½	'71	98½	101½	98½

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
°Payable in U.S.
‡Payable in Canada only.
▲Payable in Can. or U.K.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

MUNICIPAL

City of Port Arthur — 2¼%, 2½% and 3¼% serial installment debentures, due serially 1948-67, $622,342.65, dated Dec. 15, 1947. Prices—1 to 15 year maturities—3% "through the piece," 1 to 10 year maturities—2.75% "through the piece," 11 to 15 year maturities, 3.10% "through the piece," 16 to 20 year maturities, 3.25% "through the piece." Offered by Dominion Securities Corp. Ltd. 3¼% and 2½% debentures all sold.

Sussex School Dist. No. 2, N.B.—2½%, 2¾% debentures, due Aug. 15, 1949-53-58, $30,000, issued Jan. 13, 1948. Sold at $99.578.

Village of Laterriere, Que.—3% debentures, due Nov. 1, 1948-67, $11,000 issued Jan. 13, 1948. Sold privately at $99.

School Commission of L'Anse Saint-Jean, Que.—3% debentures, due Nov. 1, 1948-52, $50,000, issued Jan. 13, 1948. Sold privately at $100.

Township of La Sarre, Que.—3% debentures, due Jan. 1, 1949-68, $29,700 issued Jan. 13, 1948. Sold privately at $100.

CORPORATE

Elk Creek Waterworks—4¼% 1st mortgage bonds, due Jan. 1, 1968, $350,000, issued Jan. 13, 1948. Offered by Pemberton & Son, Vancouver.

Provincial Transport — 2¾% and 4% debentures, due Dec. 1, 1948-55-62, $2,000,000, issued Jan. 13, 1948. 4% offered at $99½ by Greenshields & Co. and Savard, Hodgson & Co.

Simpsons, Limited — 2½% and 2¾% series A notes, due 1950-53, $6,000,000, issued Jan. 13, 1948. Sold privately through Wood, Gundy & Co., Ltd.

New Highs and Lows

During the week ended Jan. 24, 5 new highs were recorded among the "general" stock exchanges, and 48 new lows. In the mining group there were two new highs and 56 new lows. Four new highs and one new low were recorded in the oil stocks.

GENERAL

New Highs—1947-48

Atlas Steels, David & Frere A, Imp. Tobac. 4% pf., Ottawa Elec. Rlwy., Traders Bldg.

New Lows—1947-48

Abitibi $2.50 pf., Andian Nat., Argus warr., B. A. Oil pf. 3¼%, B. C. Elec. 4% pf., B. C. Power A, Can. Bread B, Can. Cement pf., C. & D. Sugar, Can. Packers A, Can. Steamship pf., Can. Bronze, Do. pf., Can. Car & Found., Can. Celan. $1 pf., Can. Cot. pf., Can. Food Prod. A, Do. pf., Can. Marconi, Can. Wallpaper B, Coch. Dun. Hdwre., Cons. Bakeries, Cons. Press A, Crown Cork, Dom. Bridge, Dom. Foundries, Do. rts., Donohue Bros., Eastern Steel, Goodyear Tires pf., Gt. Lakes Pap. pf., How. Smith Pap. pf., Imp. Tobacco, Laura Secord, McColl Frontenac, Do. rts., Nat. Steel Car, Ogilvie Flour, Orange Crush, Price Bros. pf., St. Law. Cp. 2nd pf., St. Law. Paper, 2nd pf. n., Sher. Williams pf., Steel Co. of Can., Do. pf., Twin City, West. Grocers pf., Geo. Weston pf.

MINING

New Highs—1947-48

Keno Hill, Placer Devel.

New Lows—1947-48

Alger, Anglo-Rou., Band-Ore., Beaulieu, Boycon P., Buffalo Ank., Buffalo Can., Centremaque, Cresterville, Coniaurum, Cortez, Dentonia, Duquesne, East Amph., El Sol, Formaque, Francoeur, Frobisher, Hallnor, Hard Rock, Harricana, Heva G. M., High Bell, Howey, Jacknife, Laguerre, L. Fortune, Little L. L., Louvicourt, Macassa, MacFie, MacLeod, Madsen R. L., McMarmac, Mining Corp., Mosher L. L., N. Marlon, Orenada, Pickle Crow, Powell Rou., Privateer, Purdy Mica, Quatsino, Que. M'gese, Sannorm, Silbak Prem., Sladen Mal., Steeloy, Sylvanite, Taku, Teck Hughes, Thurbois, Trans. Res., Ventures, Winchester, Wright-Har.

OILS

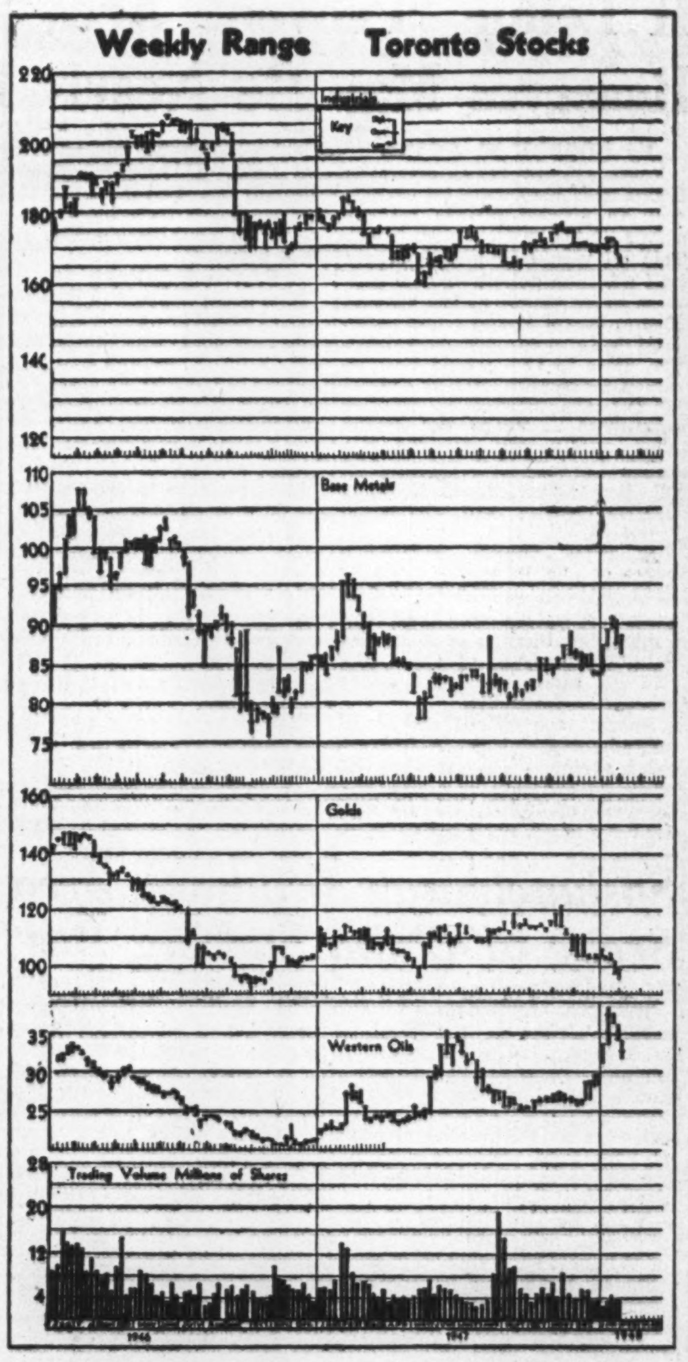
New Highs—1947-48

Foothills, Jump. Pound, Lowery, Vul. Brown

New Lows—1947-48

Grease Creek

MARITIME TELEGRAPH & TELEPHONE CO. has asked shareholders to authorize an application to the next session of Nova Scotia Legislature for permission to increase the capital stock from $7.5 millions to $15 millions.



Feb. Dividends $11 Millions

Dividends payable in February (as declared to Jan. 23) amount to $11,218,621 as against $10,806,365 for same month last year. Indicated payments for first two months of current year are $64,456,979 — up 44.2% from corresponding period of 1947.

February payments of $8,070,974 by 88 industrial stocks represents a decline of $28,090 from the amount paid by 86 issues last February. Payments by eight financial institutions of $1,524,658 were just off $32,170 from payments made by 11 companies last year. Payments by seven mining companies at $1,524,189 were up from previous year's 1,096,052 paid by six companies.

Following is a list of payments for February, 1948, as compiled by The Financial Post from records now available.

Monthly Dividends

	1948 $	1947 $
January	53,238,358	33,874,733
February	11,218,621	10,806,365
Total	64,456,979	44,681,098

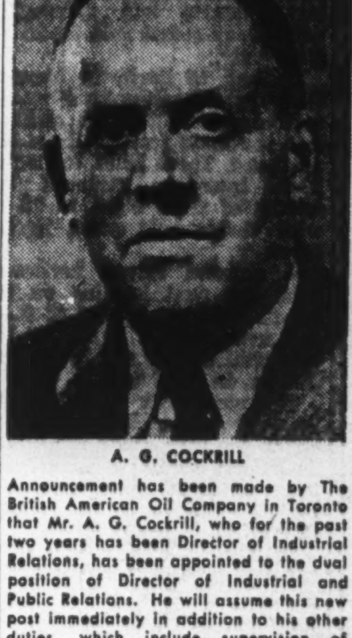
Industrials and Utilities

Company:	Rate $	Date	Amount $
Anglo-C. Tele., 4½% pf.	.56¼q	2	58,500
Ault & Wiborg, pf.	1.37½q	2	6,182
Atlas Steels	.25q	2	208,606
Beaver Lumber c. new	.50	1	78,369
Bertram & Sons, A	.25q	16	12,000
Do. B	.05	16	12,000
Brant. Roofing	.40	2	17,406
B. C. Pulp, 7% pfd.	1.75q	1	9,732
B. C. Forest Prods.	*.15	2	300,000
Stanley Brock A	.15q	1	4,702
Do. B	.10q	1	6,270
Bowes Co. A	.12½q	14	4,867
Blue Ribbon pfd.	.62½q		15,656
Caldwell Linen	.20	1	8,000
Do., 1st pf.	.38q	1	5,700
Do., 2nd pf.	.20q	1	5,000
Can. West. Cord.	.12½q	2	4,162
Can. Bronze	.50q	2	40,000
Do. 5% pf.	1.25q	2	9,375
Can. Utilities	1.25q	16	187,500
Can. Vickers 7% pf.	1.75q	1	35,000
Can. Pac. Rly., pf.	2%s	2	2,745,138
Can. Starch, pfd.	3.50	16	107,420
Cochrane-Dun. A	.20q	15	5,237
Do. pref.	.30q	15	5,400
Conduits Nat.	.25	9	20,200
Cosmos Imp.	.25q+▲.25	14	60,000
Crown Cork	.50q	16	30,000
Cons. Glass	.50q	28	159,785
Disher Steel A	.37½	2	4,335
Dom. Bridge	.30q	25	154,185
Dom. Fabrics	.20q	2	14,000
Do., 1st pf.	.75q	2	6,750
Do., 2nd pf.	.37½q	2	7,500
Dom. Malting	.25q	2	15,760
Do., 5% pf.	1.25q	2	8,125
Dom. Tar & Chem.	.25q	2	110,500
Dom. Woollens	.20q	2	29,457
Donnacona P., 4½% pf.	1.12½q	16	28,123
Dryden Paper	.25	1	37,500
Esmond Mills, 5% pf.	.25q	1	3,750
East. Theatres	1.00	7	32,000
Freiman, A. J.	.12½q	1	10,625
Do., 4½% pf.	1.12½q	1	10,125
Gen. Steel Wares	.20q	16	26,176
Do., pref	1.25q	2	62,500
Gt. West Coal	.40	15	64,333
Hudson's Bay ord.	4%+2½%	2	152,378
Imp. Tob. 4% pf.	.25q	2	100,000
Legare 6% pf.	2.00	16	59,244
Loblaw Inc.	†.20q	28	69,698
Mercury Mills	.25q+▲.25	1	47,275
McCabe Grain, A	.15q	1	6,737
Do. B	.10q	1	7,486
Mid. & Pac. Grain	.25	2	25,000
Nor. Frosted Foods pf.	.07	2	523
Ont. Steel Prod.	.25q	15	12,110
Do., pref.	1.75q	15	6,304
Penmans	.75q	16	48,388
Do., pref.	1.50q	2	16,125
Purity Flour pf.	.62½q	2	55,325
Prov. Transport	.40s	16	140,000
Quinte Milk	.15q	1	5,775
Quebec Power	.25q	25	138,299
Reitman's 5% pf.	.25q	1	5,313
Robinson Cotton	.10q	2	15,000
Rolland Paper, c.	.15q+▲.15	16	18,000
Scarfe & Co. A	.20q	1	7,000
Do. B	.10	1	1,600
Seiberling Rubber	.25a+▲.50	16	23,485
Shea's Brew., A	.27½s	15	41,250
Do. B	.75+.25	15	180,000
Simpsons, A	.75	25	270,000
Shawinigan W. Pr.	.30q	25	601,188
Sher.-Wms., ord.	.20q+▲.20	1	80,000
Slater, N.	.30q+▲.30	2	2,500
St. Lawr. Flour	.40q	2	14,400
Do., pref.	1.75q	2	9,692
Stand. Fuel, 4½% pf.	.56¼q	2	11,250
Steel of Canada	.75q	2	345,000
Do., pref.	.75q	2	194,889
Southam	.25q	16	187,500
Sou. Can. Pwr.	.30q	16	120,000
United Corp., A	.38q	14	20,115
Do., B	.25q+▲.30	28	131,865
Wood, A. & J., pf.	1.75q	1	11,375
Zellers	.31¼q+▲.25	1	70,312
Do., 5% pf.	.31¼q	1	12,500
Do., 6% pf.	.37½q	1	15,000
Total			8,070,974
Mining Companies			
Inter. Nickel pf.	†1¾%q	2	483,486
Kerr-Addison	.03	27	141,909
Lamaque Gold	.08	2	240,000
Leitch Gold	.02q	16	57,000
Madsen R. L.	.04	26	139,981
O'Brien	.03	25	98,300

Beauharnois Minority Meeting is Adjourned

MONTREAL (Staff)—A meeting of shareholders holding a minority interest in Beauharnois Light Heat & Power Co. has been adjourned until Feb. 24. It was called for this month to discuss proposals which would be presented to the Arbitration Board. Due to the illness of L. E. Potvin, chairman of the Quebec Hydro-Electric Commission, a member of the Arbitration Board, arbitration proceedings have been postponed from Jan. 12 until March 1. The special minority shareholders' committee will make its report just prior to arbitration hearings at the February meeting. Arbitration proceedings are being conducted to determine the value of Beauharnois common shares.

JAMAICA PUBLIC SERVICE CO. report net income for November of $27,006. For the 12 months ended Nov. 30, 1947, net income is shown at $339,196 against $348,279 in the previous year. Operating revenues were $2,051,780 against $1,828,245.



A. G. COCKRILL

Announcement has been made by The British American Oil Company in Toronto that Mr. A. G. Cockrill, who for the past two years has been Director of Industrial Relations, has been appointed to the dual position of Director of Industrial and Public Relations. He will assume this new post immediately in addition to his other duties, which include supervision of personnel.

Mr. Cockrill joined British American Oil in Winnipeg in 1925 and has served in the capacity of Manager in Alberta and Manitoba before moving to Toronto.

February Dividends (Cont'd)

	Rate	Date	Amount
Stadacona '44	*.03	16	141,156
Teck Hughes	.05	2	240,357
Total			1,542,189
Oil Companies			
Can. Oil, c.	.20q	16	80,800
Total			80,800
Financial			
Bk. of Nova Scotia	.30q	2	360,000
Can. Bk. of Comm.	.20q	2	600,000
Can. & For. Secs.	.16a	2	72,000
Can. Inv. Fd. sp. & ord.	.05q	2	126,675
Can. Investors	.10q	2	10,000
Comm'with Intl.	.04q	15	5,983
Dominion Bank	.25q	2	175,000
Imperial Bank	.25q	2	175,000
Total			1,524,658
Grand total			11,218,621

q Quarterly. s Semiannually. a Annually. †N. Y. funds. *Initial. ▲ Extra.

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D. R. Dattels & Company
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Members Investment Dealers' Association of Canada
KITCHENER, ONTARIO

CANADIAN MUNICIPAL AND CORPORATION SECURITIES
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Business Established 1897
Members Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
244 BAY STREET, TORONTO WA. 4781
BRANCH
3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

— FAR TOO MUCH —
It is rarely possible to get from one ideal security—income, safety and profits. This may be possible now and then but is far too much to expect as a general rule.
Income, safety and profits can best be obtained by selection and diversification. We have put together a list which could place some good suggestions before you. Copy gladly sent on request.
KIPPEN & COMPANY INC.
Investment Securities
Established 1922
Imperial Bank Building, MONTREAL — 618 St. James St. West
Telephone LAncaster 5181

J. BRADLEY STREIT & CO.
Members The Toronto Stock Exchange
330 BAY ST. WAVERLEY 4831 TORONTO

Automobile and General Casualty Insurance
Lumbermens
Fire and Allied Lines Written in Associated Companies
"THE SAFETY-MINDED COMPANY"
Agency Inquiries Invited

POWER DEVELOPS CANADA'S WEALTH
Northern Quebec Power Company Limited
4½% General Mortgage Bonds
Due 1967
Price: 100 and accrued interest to yield 4.50%
NESBITT, THOMSON & COMPANY, LIMITED
38 King St. West, Toronto, Ont.

CANNING PLANT
FOR SALE BY TENDER
The undersigned will receive tenders up to 12 o'clock noon Tuesday, February 17th, 1948, for the Building, Machinery and Equipment of the Prairie Canners Limited, situated at Winkler, Manitoba. Particulars are as follows:
Land .... $ 1,609.00
Building 67,728.33
Machinery & Equipment 133,060.62
Truck 2,190.44
Office Furniture & Equipment 1,193.21
Raw Materials & Supplies (approx.) .. 20,000.00
Terms cash or per arrangement. Tenders to be accompanied by certified cheque for 10%, which will be returned to the unsuccessful bidders immediately after the sale. Highest or any tender not necessarily accepted.
The above may be inspected on the premises by arrangement, all other information may be obtained by applying at the office of the undersigned.
Dated at Winnipeg this 23rd day of January, 1948.
THE CANADIAN CREDIT MEN'S TRUST ASSOCIATION LIMITED
456 MAIN STREET WINNIPEG, MAN.

CANADA CEMENT COMPANY LIMITED

AND SUBSIDIARY COMPANIES

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors have pleasure in presenting herewith the twentieth Annual Report of the Company showing statement of Assets and Liabilities, Profit and Loss and Earned Surplus Account, and the Auditors' Report for the year ended November 30, 1947.

The year 1947 was one of the most active on record in the building industry, the dollar value of building exceeding all previous figures. The orders for cement were extremely heavy and for several months during the most active season the demand was greater than the supply. The Company's gross sales were 10% higher than in the previous year.

Net earnings after providing for depreciation and taxes amounted to $2,419,230 as compared with $2,178,522 in the preceding year. This is equal to $2.41 per share on the Preference shares. Dividends were paid on Preference shares only and were at the rate of $1.30 per share.

The outstanding bonds were reduced during the year by $690,000, leaving a balance of $2,800,000. The mortgage on the Canada Cement Building was reduced by $50,000, leaving a balance of $245,000. This balance has been brought into current liabilities as it is due in 1948 and will be paid off. You will note that working capital has been reduced during the year under review by $948,547. This is due to the large amount of money spent on plant additions and improvements during the year.

The addition to your plant at Montreal East came into production in July. This addition with a full year's operation in 1948 will add materially to the supply of cement in Eastern Canada.

The additional unit at the Exshaw plant, referred to in the Directors' Report covering 1946, was not completed in 1947 as expected owing to the delay in the supply of essential materials. This unit will be in operation before May 1st, 1948, and will, it is believed, when added to the present production at Exshaw and Winnipeg plants, take care of all demands for some time to come in the territory served by your Company in Western Canada.

Your Directors have authorized an addition to your plant at Belleville, Ontario, which it is expected will be in production in 1949. There are also a number of smaller projects under way for the modernization and improvement of your various plants. Unfortunately, this work is costing about 100% more than similar work would have cost in 1938/39.

The prospects for 1948 are very good in the building industry. Even if the dollar value does not reach the record figure of 1947, it gives promise of being very active and in consequence your Company's product should be in good demand for another year at least.

Respectfully submitted on behalf of the Board of Directors.

J. D. JOHNSON,
President.

CONSOLIDATED BALANCE SHEET, NOVEMBER 30, 1947

ASSETS

CURRENT ASSETS:			
Inventories of cement, finished and in process, coal, materials, supplies and repair parts, at cost or under, which is below market, as determined and certified by officers of the Company, less accumulated reserve of $568,100		$ 3,070,122.82	
Accounts receivable (less bad debts reserve)—			
Customers	$1,464,860.18		
Other	114,985.30	1,579,845.48	
Government bonds (market value $26,156)		25,000.00	
Cash in banks and on hand		1,041,241.23	$ 5,716,209.53
REFUNDABLE PORTION OF EXCESS PROFITS TAX			840,671.10
PREFERENCE DIVIDEND MAINTENANCE FUND:			
Government bonds (market value $806,000)		$ 800,000.00	
Cash in banks		600,000.00	1,400,000.00
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES			101,874.92
PROPERTY ACCOUNT:			
Land, buildings, plant and equipment at November 30, 1946, $31,197,220.29 (as appraised by the Canadian Appraisal Company Limited on the basis of 1942 replacement cost less depreciation, with the exception of ships owned by Canada Cement Transport Limited which are included at cost less depreciation provided by that Company); with subsequent additions at cost, less disposals		$34,210,167.83	
Less: Reserve for depreciation accumulated subsequent to November 30, 1946		2,570,000.00	31,640,167.83
			$39,198,923.38

LIABILITIES

CURRENT LIABILITIES:			
Accounts payable and accrued liabilities		$ 1,176,087.86	
Preference dividend paid December 20, 1947		326,402.97	
Dominion, Provincial and other taxes		1,402,130.93	
Mortgage on Canada Cement Building (balance due in 1948)		245,000.00	$ 3,149,621.76
FIRST MORTGAGE BONDS:			
2½% serial bonds 1946 series due $700,000 annually to 1951—			
Issued		$ 3,500,000.00	
Less: Redeemed		700,000.00	2,800,000.00
RESERVES:			
Fire insurance		$ 500,000.00	
Extraordinary repairs and renewals		350,000.00	850,000.00
CAPITAL STOCK:			
Cumulative Redeemable Preference Shares of $20 par value each, carrying annual dividends at the rate of $1.30 per share (Note 1)—			
Authorized—1,204,345 shares		$24,086,900.00	
Issued—1,004,345 shares		$20,086,900.00	
Common Shares—			
600,000 shares of no par value out of an authorized issue of 750,000 shares		6,403,904.75	26,490,804.75
SURPLUS: (Note 2)			
Earned Surplus, per statement attached		$ 4,508,496.87	
Appropriated for Preference Dividend Maintenance Fund		1,400,000.00	5,908,496.87
			$39,198,923.38

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDING NOVEMBER 30, 1947

Profit from operations after providing $2,570,000 for depreciation and after special provision of $250,000 towards possible decline in inventory values, but before taking into account the undernoted items		$5,103,128.48
Executive remuneration	$ 111,325.00	
Directors' fees	9,640.00	
Legal expenses	2,417.76	123,382.76
		$4,979,745.72
Add:		
Income from investments		23,985.05
		$5,003,730.77
Deduct:		
Bond interest	$ 73,200.72	
Mortgage interest	11,300.00	
Contribution to Pension Fund	100,000.00	
Provision for Dominion and Provincial taxes on income	2,400,000.00	2,584,500.72
Net profit for year		$2,419,230.05
Deduct: Appropriation to Preference Dividend Maintenance Fund		600,000.00
Balance of profits		$1,819,230.05
Earned Surplus, November 30, 1946	$3,654,244.39	
Deferred Surplus, representing refundable portion of excess profits tax, transferred	340,671.10	3,994,915.49
		$5,814,145.54
Dividends on Preference Shares		1,305,648.67
Earned Surplus, November 30, 1947		$4,508,496.87

Notes to Consolidated Balance Sheet November 30, 1947

(1) The Preference Shares may be called for redemption at $30 per share but the Company shall not be entitled to redeem upon call any of the Preference Shares prior to October 1, 1951, and thereafter shall not be entitled to redeem, either upon call or by purchase, any of the Preference Shares to such extent that the aggregate par value of the outstanding Preference Shares shall thereby be reduced to less than $15,000,000 prior to October 1, 1956, nor to less than $10,000,000 prior to October 1, 1961.

(2) No dividends shall be paid on the Common Shares when the Preference Dividend Maintenance Fund, which is to be provided out of surplus derived from profits earned after November 30, 1945, amounts to less than $2.60 per Preference Share outstanding; nor shall $1,205,271 of the Earned Surplus accumulated prior to that date be used for the payment of any such Common dividends so long as any Preference Shares are outstanding.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canada Cement Company Limited and its subsidiary companies for the year ending November 30, 1947, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above balance sheet, supplemented by the notes appended hereto, is properly drawn up so as to exhibit a true and correct view of the affairs of Canada Cement Company Limited and its subsidiary companies at November 30, 1947, and that the statement of profit and loss and earned surplus presents fairly the result of their combined operations, according to the best of our information and the explanations given to us and as shown by the books of the companies.

PRICE, WATERHOUSE & CO., Auditors.

Approved on behalf of the Board:

J. D. JOHNSON, Director.
F. B. KILBOURN, Director.

Montreal, January 7, 1948.

If Leduc "Proven" Area 20 Sq. Miles Reserves May Be Nearly Half Billion

By GORDON M. GRANT

From present indications, the Leduc area may soon be considered to possess proven oil reserves of 128 million bbls. of oil. This oil would be worth nearly half a billion dollars—$441.6 millions to be exact—at the current $3.45 a barrel Leduc crude price.

Of this almost astronomical figure, close to 75% would be contained in acreage held by Imperial Oil, the balance by smaller companies — Globe Oil, Leduc West, Home Oil, Atlantic Oil, Leduc Consolidated, Continental Oil, East Leduc, South Brazeau, Central Leduc; and California Standard.

A little simple arithmetic shows that if the Imperial Woodbend well represents a three-mile northward extension of the Leduc field rather than an entirely new field, oil reserves of the $441.6 millions total mentioned above are quite reasonable.

Before the Woodbend well proved successful, Dr. T. A. Link, chief geologist of Imperial Oil, made an estimate of a potential recovery of 10,000 bbls. an acre for 8,400 acres, regarded as being fairly well proven up in the Leduc field. This represented an ultimate expected recovery from this ground of 84 million bbls. of oil worth over $250 millions at $3.45 a barrel.

Proven Area Expanding

Now there appears to be a total area of about 20 square miles that soon may come into the "proven" fold. This, if realized, will represent an area of 12,800 acres or an increase of just 50% more than the estimate of Dr. Link which didn't include anything for Woodbend.

It is possible to secure an inferred area of 20 square miles by "drawing lines" between the outlying productive wells and assuming that all the ground within the lines will likely prove productive. The 20-square mile area does not include anything for anticipated further extensions of the field. The field has only been delimited to the east.

Straight lines encompassing the 20-square mile area are "drawn" as follows:

1. From the Imperial Woodbend productive well (in the extreme north) southwestward to the most westerly producer Globe Oil-Leduc West No. 1 (a distance of just over five miles).

2. From the Globe Oil-Leduc West No. 1 well southeast to the most southerly producing well Continental Oil No. 1 well (a distance of 3½ miles).

3. From Continental Oil No. 1 producer northeastward to Central Leduc-Pyrcz No. 2 producer (distance 4½ miles, skirting eastern productive edge).

4. From Central Leduc-Pyrcz No. 2 producer northwestward to Globe-Leduc West No. 2 producer (distance 1⅛ miles).

5. From Globe Leduc West No. 2 producer northwestward to the Imperial Woodbend well, completing the circuit (a further 3¼ miles).

Extreme distance from north to south producers is 7¼ miles. There are no "dud" wells drilled within the 20-square mile area encompassed by the above boundaries. It is possible that the Woodbend well may be a new field rather than an extension of Leduc; but the fact that water was found at the same depth as in Leduc wells suggests Woodbend merely provided a major Leduc extension.

On the basis of 20-square miles—or 12,800 acres—future oil reserves of 128 million bbls. or $441.6 millions can be estimated if the undrilled ground proves as productive as the area already drilled. This, of course, is by no means certain.

There are at least six quarter sections (960 acres) within the 20-square mile area held by independents or approximately 25%. This appears to leave Imperial Oil with about 75% of acreage. Inferred reserves for the Imperial ground may thus move up to $331.2 millions if fill-in drilling of wells prove just as productive acreage as that already drilled.

Imperial Oil, of course, has 12½% in royalties to pay to the Crown and others, operating expenses, write-offs, etc., so that the inferred $331.2 millions of future reserves is not all "velvet." Production will probably be secured only over a period of 25 to 30 years using the strict conservation required to secure the largest ultimate output of oil. If the field proves to have a water drive rather than a gas drive, ultimate recovery will be qquite high.

Prospects of further extension of the Leduc field are regarded as very encouraging indeed. Even the suggested 20-square mile area could be doubled or even tripled within a year's time. If the field does prove of immense size, other companies will quite possibly play a more important part in development than at present. Imperial will not retain all the acreage held at present. Part will revert to the crown and is expected to be sold at public auction to the highest bidder.

12 Drill Rigs Working

Production from the Leduc field is probably around the 4,000 bbls. a day mark. A very rapid expansion of this output appears in prospect. Imperial Oil alone now has 12 rigs in the proven area—double the number of a few months ago. Efforts are being made to bring the number up to 15. With a large number of drills at work, it may only be a few months until the Leduc field is producing enough oil to supply the full capacity of the 7,000-bbl. refinery presently being installed by Imperial Oil at Edmonton. It has a capacity of 6,500 bbls. daily. Most of the Leduc crude is going to the Imperial Regina refinery, some to the Calgary refinery. Chances are that these two refiners will continue to enjoy crude from the Leduc field even with Edmonton operating. It now appears quite possible that Leduc, supplemented by other oil fields, will ultimately take care of entire oil requirements of the Prairies.

LLOYD J. FALKENHAGEN

has been elected vice-president and general manager of the Joseph Stokes Rubber Co., Welland, with which he has been connected since 1926.

Saskatchewan Wildnest Area Scene of Claim Staking Bee

From Our Own Correspondent

REGINA—Applications for full mining claims in the Wildnest lake region, 20 miles north of Beaver lake in northeastern Saskatchewan, have been received from 32 prospectors and mining concerns by the mining recorder at Flin Flon. Staking activities were reported in the area in mid-January.

W. J. Bichan, director of mineral resources, said examination of Wildnest showings "will probably be made this spring by a party of government geologists." Mineralization samples taken from points close to the lake shore have already been sent in by several prospectors but apart from this, he added, "it is unlikely that further information will come out of Wildnest this winter, due to weather conditions."

A flurry of claim-staking is taking place, according to reports received by W. J. Bichan. Wildnest lake is 20 miles north of Amisk lake, in the Flin Flon area.

"Although advance information does not state actual mineral discoveries," said Mr. Bichan, "the area has previously shown occurrences of gold, copper and nickel."

It is some years since any prospecting activities were carried on in the Wildnest region. The area is fairly accessible and can be reached from the Flin Flon-Amisk lake road.

Hosco Nearing Milling Stage

Work on 500-ft. Level Establishes 124 ft. of Continuous Ore

The 150-ton daily capacity mill at Hosco Gold Mines is expected to break into production in the late spring or early summer, The Financial Post is informed. In the meantime good progress is being realized in lateral development on the 350- and 500-ft. levels.

Underground work so far has disclosed 124 ft. of continuous ore east to west on the 500-ft. level. The ore, opened in three sections, may be described as follows: Section "A" opened for a length of 64 ft. and averaging 1.66 oz. across 2.16 ft.; section "B", 36 ft., averaging .12 oz. across 2.8 ft. and section "C," 24 ft., averaging .51 oz. over 2.5 ft. Ore structure is highly fractured quartz and tourmaline with heavy coarse gold occurring frequently.

Drilling to north in hanging wall of the fracture zone has indicated ore structure angling into the main fracture from the northeast. Three holes, drilled at 50-ft. intervals, returned ore widths of from eight to 22 ft. with visible gold noted in the cores.

A crosscut driven northwest from the west heading on the 500-ft. level has opened 20 ft. of ore averaging .278 oz. in the east wall and 18.5 ft. averaging .102 oz. in west wall.

The west drift on the 350-ft. level has entered the zone in which the high-grade ore occurs below and similar structure has been disclosed with last two rounds returning .34 oz. over 2.8 ft. and .53 oz. across 4.3 ft.

Drifting is being continued to the west on both levels with exploratory drilling getting under way for parallel zones in the hanging wall.

ALGER GOLD MINES balance of option outstanding to Verona Rock Products on 100,000 shares at 15 cents and 99,994 shares at 17½ cents has been terminated by mutual consent. By Jan. 16 agreement with same company 100,000 shares were underwritten at 10 cents a share, payable forthwith and 99,994 shares were optioned at 15 cents. Upon issue of underwritten stock issued capital will be 2,900,006 shares.

SULLIVAN CONSOLIDATED MINES reports bullion production of $81,900 in December, an increase of $23,600 over the preceding month. Improved labor supply has enabled company to speed up development for increased production. The inclined shaft has been deepened to 2,050 ft. and the No. 1 vertical shaft is to be carried to greater depth to permit opening of four additional levels.

MADSEN RED LAKE GOLD MINES reports bullion production of $262,827 from treatment of 35,551 tons of ore and average recovery of $7.39 gold per ton in final three months of 1947 ($286,919 from 35,098 tons treated and $8.17 gold in three months ended Sept. 30).

MARTIN-McNEELY MINES Jan. 12 installment on 200,000 shares at 30 cents a share under agreement with Mas Holdings has not been exercised and balance of agreement has been terminated by default.

Vinray Raise Cuts Low Grade Values

The east drift raise from the 125-ft. level at Vinray Malartic Mines has cut well-mineralized formation showing visible gold, Resident Engineer Dr. B. J. Keating states. Two 20-car muck samples taken out of the raise averaged 0.115 oz. and 0.11 oz. The raise is going up about 20 ft. to examine intersection obtained in drill hole V-29, which gave 1.28 oz. over 4.2 ft.

Work is also being done west of the shaft crosscut, to a point where a raise may be put up to examine area where 33½-ft. intersection gave $7.70 in hole V-16. A test pit is also to be sunk from side of hill nearby, through some 10 ft. of overburden, to examine intersection from both sides. Check sampling and geologizing are under way on second level.

The management is examining possibilities of arranging for custom milling of marginal ore being developed, to help defray future development costs.

MINING CONCENTRATES

ALGER GOLD MINES Jan. 5 installment of 100,000 shares at 15 cents together with subsequent installment have been extended for one month.

• • •

BARRINGTON LAKE COPPER MINES located a small lens of copper ore through surface prospecting of its Hughes River property in 1947, but further work failed to extend the show. Some drilling was done to locate source of float without success, but further drilling is contemplated. Chalcopyrite was found in several places on Barrington Lake claims, but none was of economic importance. Current assets were $24,507 and liabilities $10 as at Oct. 31.

• • •

BUFFALO RED LAKE MINES Jan. 1 installment of 200,000 shares at 50 cents a share and each subsequent installment have been extended for two months.

• • •

CATHROY LARDER MINES says that drill hole 239 cut 25 ft. of core assaying $9.24, including a 10-ft. section running $21, in probe northeasterly from 250-ft. sublevel. The hole intersected 228 ore body at point 75 ft. above the level where hole 233 had cut 30 ft. running $10.50. Progress is being made in driving crosscut on 250-ft. level to connect older workings with new south zone.

• • •

DICKENSON RED LAKE MINES shareholders have authorized issue of $1.5 million first mortgage 5% bonds. Principal amount of $400,000 has been sold, netting the company $360,000 and 50,000 shares of stock have been issued in conjunction with the purchase of these bonds at 5 cents a share. Issued capital is 3,550,000 shares.

• • •

DUBUISSON GOLDFIELDS has discontinued drilling and work will not be resumed until mining conditions have improved. Isolated assays of $4 to $12 were secured but drilling failed to indicate presence of an ore body of economic importance.

• • •

ELDONA GOLD MINES is deepening its shaft from existing 500-ft. level to present objective of 1,025 ft. in program designed to open levels at 700, 850 and 1,000 ft.

• • •

JASON MINES has received payment for underwriting on 200,000 shares at 15 cents. Issued capital is 4,199,005 shares.

• • •

PICCADILLY PORCUPINE MINES has received payment covering Jan. 17 underwriting of 125,000 shares at 10 cents a share. Issued capital is 2,493,156 shares.

Oil Stocks to the Fore

Developments in the new oil fields south of Edmonton may indicate increasing activity in the trading of Alberta Oil stocks.

Our trading facilities are at your service, and we will gladly supply statistical information about any Alberta Oil Company upon request.

JAMES RICHARDSON & SONS
ESTABLISHED 1857
80 KING STREET WEST TORONTO 1
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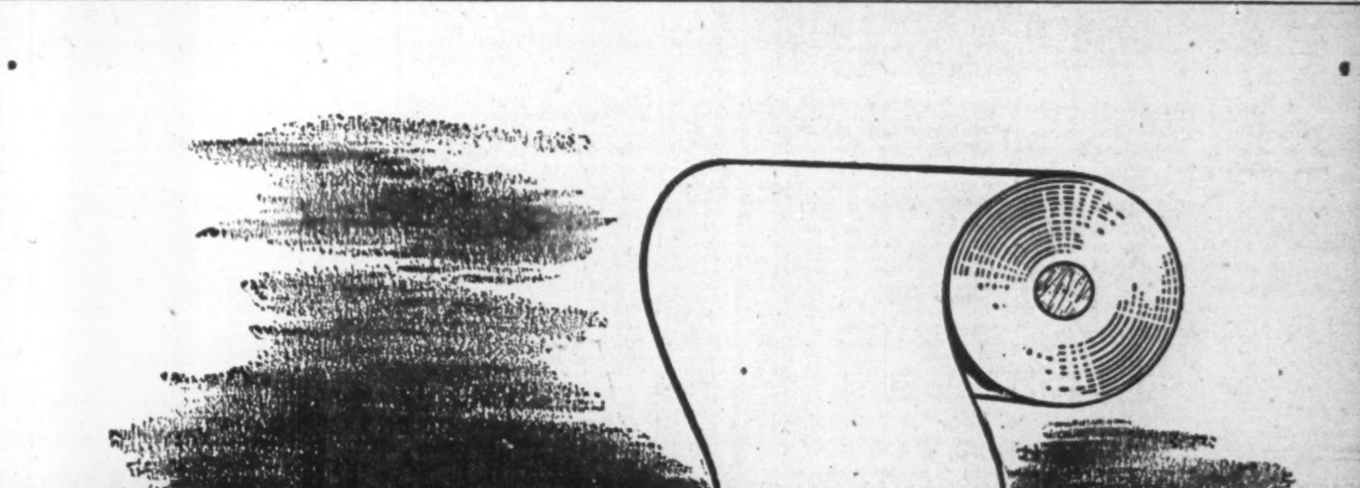

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HARD ROCK MINES reports bullion production of $111,737 from 22,730 tons of ore, an average recovery of $5.63 gold per ton in three months ended Dec. 31 ($143,361 from 23,104 tons and $6.21 gold in September quarter). Output in September quarter included $9,510 from treatment of 941 tons of stored concentrates.

Gold Issues Higher on Franc Devaluation Boost in Zinc 'Massive Aid' for Base Metals

Devaluation of the French franc last week end set off a sharp upward spurt in gold stocks throughout the world. The "stock market theory" that devaluation might be the precursor of events leading up to a higher price for gold got the credit for the rally.

Following a 1½c lb. markup in the price of zinc in the U. S. and Canada last week, developments in France assisted a revival in a previously listless mining market.

Kaffirs — South African gold stocks — were particularly active and higher early this week. Canadian senior golds moved upward both in the United States and Canada. Homestake, big U. S. gold producer, was a favorite with a gain of over $2 a share. This suggested to some that a higher gold price is possibly anticipated even in the United States. The Toronto Stock Exchange gold index was up 3.17 points Monday.

Increase in the price of zinc adds possibly $7 millions a year to Canada's mineral production, $2.2 millions a year to our income of U. S. dollars. Shippers of refined zinc, Consolidated Smelters, and Hudson Bay Mining & Smelting, receive the full increase of 1½c lb.. Shippers of concentrates get about three quarters of a cent to an extra cent a pound.

As shippers of concentrates had only been receiving about 3.5 to 4c lb., on a mine basis, the increase in gross mine revenue to them may be about 25%. This, of course, is a far greater percentage increase than is enjoyed by such major producers as Consolidated Smelters and Hudson's Bay.

In Toronto brokerage circles, belief was voiced this week that the pound sterling would probably have to be devalued to the free market rate of $2.50, although it was felt that devaluation might not come immediately. Such a move, it was stated, could quite easily cause other developments which would lead to a "free market" for gold at higher prices. Apparently this line of reasoning —by those interested in gold mining—lay behind the modest but persistent buying of the senior golds on both sides of the border.

Legally free gold transactions are now permitted only in Portuguese China, Tangiers in North Africa, Venezuela and Syria, it is pointed out, so that a "free market" in gold is very limited, it is claimed. In Beirut, Syria, gold is selling at $52 in U. S. funds. Gold stock investors are hoping that if a readjustment of currencies occurs, it will be accompanied by a free gold market. Shattering to their hopes was the announcement that France would not establish a free gold market possibly after all.

While it is impossible to assess actual dollar value of hopes for higher gold prices from the standpoint of the individual gold producer, meaning of the 1½c lb. increase in zinc prices was more readily discernible. Consolidated Smelters may receive an extra $4 millions a year or almost $1.25 a share from the increase. As profit, of course, this would be subject to tax.

Hudson Bay Mining & Smelting Co. may receive an extra $1.5 millions or a little better than 50 cents a share, before taxes.

Sherritt Gordon Mines will be only a small beneficiary. Its production of zinc is tapering off at Sherridon with exhaustion of the east zinc ore body.

Golden Manitou hopes for $575,000 a year extra. Increase works out at 1.03 cents a pound at the mine.

Normetal Mining Corp. will receive an extra $183,000 to $185,000 in 1948 on the basis of a net increase in revenue of 0.825c lb. at the mine with a 1½c boost. This is equivalent to about an extra five cents a share before taxes.

Waite Amulet hasn't yet worked out what it will receive extra on a per pound basis. It will probably run below the 1.03 cents a lb. of Golden Manitou because its concentrates aren't quite up to the 60% grade turned out by Golden Manitou. A "guesstimate" of the extra on current output would be about $350,000 or a little better than 10 cents a share before taxes.

To New Calumet, the increase in zinc might mean an extra $100,000 a year or roughly three cents a share before taxes.

The U. S. controlled B. C. producers — Granby Consolidated and Britannia Mining & Smelting —turn out zinc concentrates, will have higher income.

Possibly some mines will decide to treat a lower average grade of ore, milling material which was marginal before but profitable now. There are also chances, however, of even further increases in the price of zinc. Tri-state zinc producers are already clamoring for a further increase.

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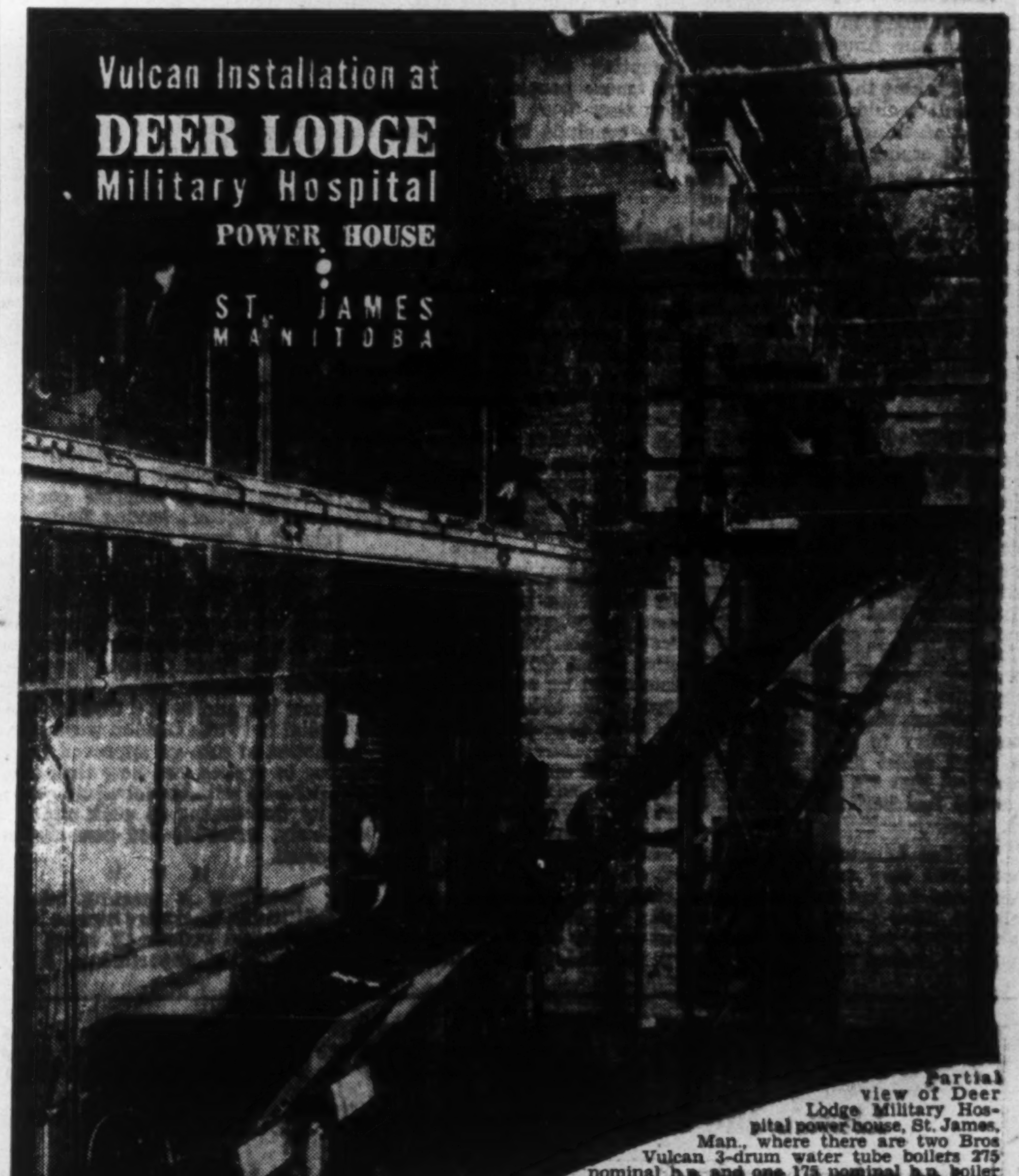

Partial view of Deer Lodge Military Hospital power house, St. James, Man., where there are two Bros Vulcan 3-drum water tube boilers 275 nominal h.p. and one 175 nominal h.p. boiler constructed for 150 lbs. working pressure. Other mechanical equipment for this power house, manufactured and installed by Vulcan Iron and Engineering Ltd., Winnipeg, includes 3 Bros Vulcan super-spread stokers with Vulcan non-sifting, rocking and dumping grates especially designed for burning low rank fuels. The grates are equipped with power-operated dumping mechanism. The stokers have automatic controls for coal feed and air supply and uptake damper on the boiler. Coal handling equipment consists of vertical elevators, horizontal conveyors, overhead bumpers and electrically operated travelling weight larry.

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From Vancouver Island, British Columbia
A RECOMMENDED INVESTMENT IN A GOLD PROPERTY OF MERIT

A prospectus describing this issue and the company has been filed with the registrar of companies in Victoria, B.C.
Diamond drilling under supervision of the company's consulting Geologist Engineer to commence upon these shares being sold.
An information Bulletin and Prospectus will be mailed on request.

A First Public Offering Limited; 125,000 Shares Treasury,

Registrar and Transfer Agents, The Canada Trust Company
Consulting Mining Engineer, B. W. W. McDougall, M.E., B.Sc., Vancouver
ISLAND HEIGHTS GOLD MINES, LIMITED, N.P.L.
Incorporated British Columbia Charter, August 1st, 1947
CAPITALIZATION, 3,500,000 Shares, No Par Value
To be issued for property and escrowed, 1,166,000 shares.

The company owns outright two properties in one compact group, located in a favorable geological belt, comprising six crown granted and eight location mineral claims, approximately 600 acres, situated Alberni Mining Division.
Complete camp buildings on property will accommodate 15 men.
It is anticipated that hydro-electric power from the B.C. Power Commission will be available, when required.
Conveniently located with regard to other facilities.
The claims lie on a mountain side, with the elevation of the lower claims about 200 feet above sea level to the highest point on the property, being approximately 2400 feet above sea level. Shearing appears to have occurred across much of, if not the entire property. Probably more than a dozen known veins, or shear structures, more or less parallel to each other, occur within a wide zone of about 650 feet.
The intervening wall rocks separating these, is firm, rather than brecciated, or mashed. These veins or lodes vary in width, to possibly 15 feet, and have been traced for various distances.
All contain quartz and sulphides, with the principal sulphide metal being pyrite. All lodes are universally gold bearing, gold being the predominating metal, with values in silver and copper.
An adit at an altitude of 585 feet and 365 feet long has been driven for a length of 240 feet on one of these veins, which measures 9 feet wide in places, the upper showings 3000 feet northerly and at 1600 feet greater altitude exposes a vein possibly 15 feet wide.
It is interesting to note that Mr. B. W. W. McDougall, M.E., took in all 45 channel samples and every one assayed gold values.

A FEW OF THE ASSAY RESULTS:

Across 46" gave 0.53 oz. gold per ton.
Across 37" gave 0.51 oz. gold per ton.
Across 126" gave 0.18 oz. gold per ton.
Across 40" gave 0.34 oz. gold per ton.
Across 16" gave 0.52 oz. gold per ton.

A quotation, in part, from the report of Mr. B. W. W. McDougall, M.E.:

"Throughout the 2000 feet altitude range on the property, there is no important or obvious change in the character of the sulphide mineralization. The sulphide present in the lode structures are of the relatively high temperature type indicating that they were formed deep in the ore column and probably some thousands of feet below the original upper limit of mineralization. In any event, it is obvious that even at the highest point on the property, the lode structures are deep below the original surface."
The company should receive maximum benefits, under the Federal Government's revised plan to aid gold mining.
After giving due consideration to the known geological facts, and pertinent information available, the Directors are of the opinion that diamond drilling should prove to depth a large tonnage, with values as indicated on the surface, and that the property could develop into a producing mine.

PRICE: 20 cents per share, net to Treasury. No commission deductible.
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913 Vancouver Block, 736 Granville St., Vancouver, B.C.

Golden Manitou Profits May Be Over $1 Million

Prospects appear bright for Golden Manitou Mines to realize a 1948 profit big enough to dwarf any of its predecessors, The Financial Post is informed.

With milling rate up to 1,040 tons daily and higher grade zinc ore becoming available from stopes prepared at depth, the company is in a position to take full advantage of the increase in price of zinc from 10½ to 12c lb. Operating profits in 1948 could easily reach the $1,368,000 mark.

With a price of 10½c lb. on zinc, Golden Manitou had been realizing about 3.92c lb. at the mine for its zinc. The company ships about a 60% zinc concentrate.

With new price, yield at the mine is expected to rise to 4.95c lb. or 1.03 cents more.

Expect 5.5% Grade

With 8% and 10% zinc ore expected from stopes on lower levels, the management feels confident that a grade of 5.5% zinc can be maintained. On the basis of 1,000 tons of ore treated per day, 350 days a year, the company can expect to secure $1,765,000 a year for 29,750 tons of 60% zinc concentrates sold at $59.33 a ton.

Revenue from silver, gold and lead on the basis of this production, can bring revenue up to $2,943,000 a year.

Assuming a $4.50 a ton operating cost, which allows for increases in costs, operating profits of $1,368,000 can be worked out. This is equivalent to 45 cents a share before other charges.

Quebec and Dominion taxes on this basis would be $248,000 after allowing $300,000 for depreciation. Net profit would then be $819,920 or 27 cents a share after all charges.

Actually the $300,000 of depreciation is only a bookkeeping item, it is stated. This money would remain in the treasury.

The company has paid for a new headframe and hoist, has extended its shaft to depth. Only current monthly accounts are outstanding.

It is expected that the question of dividends will probably be brought up at a meeting of directors being held this week. If no dividend is declared at this meeting, dividend action may be deferred to the second quarter.

Bordulac Shaft Gets Started

With satisfactory progress reported on plant installations, Bordulac Mines expects to be sinking its two-compartment exploration shaft under power within three weeks, President T. W. MacDowell informs The Financial Post.

The opening at the company's Dasserat twp. property has already been carried to 20 ft. with hand steel and the first level will be established at 150 ft. A vertical X-ray drill hole was put down to 149 ft. to ensure that no ore would be tied up in the shaft area. At 21 ft. an intersection of 16 in. of quartz and sulphides assayed 0.61 oz. or $21.35. At a depth of 5 ft. in the shaft, a channel sample across 8 in. assayed 1.07 oz. or $37.45. The vein is widening in the shaft at depth and appears to be turning to the west.

At the 150-ft. level it is expected that a crosscut to the Talus vein to the north of about 25 ft. will intersect high grade and drifts will be carried east and west. The surface high-grade assays of 999.09 oz., 1,305.99 oz. and 1,633.15 oz. lie 150 ft. to the east of the shaft. It is planned to drill to the south from the station on the first level, to explore an area, where a previous drill hole indicated three veins exist.

A summary of the surface sampling of rock trenches and two shafts sunk in 1925 and 1926 by A. W. Balzimer, better known as "the Russian Kid" and Mike Mitto, on the original discovery showings, has been made by George S. Riddell, the company's engineer. The sampling was carried out by the Erie Canadian Co., a subsidiary of Sylvanite Gold Mines Limited. For 407 feet over an average width of 3.8 ft. the average value is $11.56. The ore shoot is located 2,150 ft. to the east of the shaft site, along the strike of the shearing in the Talus vein system.

A bunkhouse accommodating 32 men has been completed, and supplies for the winter's operation are at the property. A road to the Narrows on Labyrinth Lake at the west end of the property has been completed and a tractor owned by the company ensures communications through the winter months.

Cease Lateral Work At East Amphi Mine

Underground development operations will be discontinued at East Amphi Gold Mines upon completion of present work, Secretary B. E. Martin states. A thorough study is to be made of geology.

The financial group which holds options on company's treasury stock is not prepared to finance further development at the present time owing to unfavorable market conditions. Underground work has been partially exploring 1,500 ft. of the four-mile length of favorable structure.

Prospectors' School Sessions in Toronto

The Prospectors and Developers Association is planning a class for prospectors in Toronto Mar. 1 to 6. President V. R. MacMillan states that the Ontario Department of Mines is collaborating with the Association in conducting these classes.

Prospectors wishing to attend at a fee of $5 are asked to apply to the Association's offices at 67 Yonge Street before Feb. 5.

JASON MINES has cut downward extension of No. 1 vein in drill hole U-204 which gave 3.4 ft. of ore averaging 2.08 oz. at 130 ft. below 700-ft. level. Vertical hole U-208, 320 ft. west of No. 1 vein, returned a true width of 4.9 ft. averaging 0.52 oz. at 1,000 ft. below surface. Angle holes are being drilled from the crosscut covering a length of 350 ft. on strike, to explore the vein at similar horizons. The new No. 5 vein has been opened in 701 crosscut. Drifting north on No. 1 vein on 400-ft. level has proved a new ore length of 65 ft. averaging 0.54 oz. across 29 in. with sections containing visible gold, and drifting continuing in similar ore. On 500, 600 and 700-ft. levels, combined ore lengths of 236 ft., grading from $9.76 across 29 in. to $20.45 across 16 in., have been developed north of former workings on No. 1 vein.

AQUARIUS PORCUPINE GOLD MINES has started diamond drilling from 525-ft. level for purpose of correlating known conditions. A series of holes are to be drilled from 400 and 525-ft. levels to obtain following information: Prove extent of carbonate zone, together with syenite porphyry dikes and masses; determine extent in values of one area showing values in drifting on 400-ft. level to east and to locate zones of concentration within the specific area.

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Incorporated 1945 under the Laws of the Province of Quebec.

Capitalization: $4,500,000.00

Issued for properties (pooled)	1,645,000 shares
Sold	866,105 shares
In the Treasury (not issued)	1,988,895 shares

DIRECTORS

JACQUES ROUSSEAU, LL.L., Barrister, Montreal
EUGENE GIBEAU, Esq., Pres., The Slater Shoe Co. (Canada) Ltd., Montreal.
COLIN DRENNAN, Esq., Montreal.
ELOI J. LEBLANC, Esq., Vice-Pres., Larivière & Leblanc, Montreal.
ALBERT TAYLOR, Esq., Montreal.

Mining Properties in Charlevoix County, Que.

WEST PROPERTY: 1360 acres, west of Lacoste Township and approx. 30 miles north west of Murray Bay.

EAST PROPERTY: 2200 acres, north of Lake Pied-des-Monts, Lacoste Township, approx. 17 miles north of Murray Bay.

Both properties are easily reached by roads connecting with the Quebec-La Malbaie highway. Murray Bay (La Malbaie) is served by the Can. Nat. Railways and has deep water facilities.

EXPLORATION OF THE WEST PROPERTY

A sample taken from a quarry in 1946 assayed 2.44% tin, 24.62 lbs. of nickel and cobalt and .13 lbs. of tantalum and columbium per ton. At present prices, A VALUE OF OVER $50.00 per ton.

A composite of 23 surface samples taken in 1947, mostly east of lake Malfait, assayed 1.64 oz. of iridium and .42 oz. of gold per ton. At present prices, A VALUE IN THE NEGIHBORHOOD OF $100.00 per ton.

The assay results have been certified by the S. K. Trohn Refining Co., New York City, U. S. Gov't Licenced Assayers.

The Company has built near the village of La Malbaie a pilot 100-ton crushing and magnetic-separating mill to which it intends to add a concentrating plant. It also intends to diamond drill the large iridium and gold bearing ore body located during 1947.

The Company has a record of quiet, prudent and dauntless accomplishmnet, indicating sound and progressive management. The Company now offers a limited number of treasury shares at $1.00 a share. The evidence already accumulated makes this investment an exceptionally attractive proposition for your venture capital.

The Directors reserve the right to reduce or refuse any subscription.

DATED JANUARY 17, 1948

JACQUES ROUSSEAU, President — G. E. DORAN, Secretary

MOUNTAIN CREST MINES, LIMITED, n.p.l.
1445 Mackay Street, Montreal

LONDON CALLING—*By Adelphi*

Marshall Aid Offer Divides U. K.; Socialist Bureaucracy Multiplies

LONDON — The Marshall Plan has overshadowed Greece, Palestine and Kashmir as a topic for argument this week, during the mildest January in 75 years. No less than our American friends, we are divided about the advisibility of taking the help that they proffer. It would certainly ease things, and things could do with a deal of easing all round.

Food, outside the square mile of London's West End, where you pay such a lot and get such a little, is now reasonably adequate and, for the moment, more varied. But everything else is expensive and in short supply. Life, with its round of crowds and queues, has not much to offer us; and though the irritations of, for instance, finding there is no morning paper available and that the clock that you depended on has gone off indefinitely to be repaired, are small, they swell by accumulation.

The all-round relaxation of strain that the Marshall Plan would bring, could well make the vital difference between hope and listlessness that would set Britain working again with enthusiasm. But the idea of depending on the generosity of others is still repugnant to the ideas of many Englishmen, who would quite like our country to pull through by a great effort and a bad patch and feel that we should all both be and feel better at the end of it.

The last American loan did not work out very well. We realize that, had we not accepted it, we should have been, in 1945 exactly where we are in 1948, without the load of debt on our conscience, and with rather less weariness to hold us back, buoyed up perhaps with the consciousness of having reached our present state by our own efforts. The Beaverbrook newspapers, which opposed the loan, are dead against accepting aid under the Plan and most people, remembering that they were right about the loan, conclude that they may be right about the Plan also.

• • •

Statistics Prove Both "Yes" and "No"

Naturally the spectacle of a Socialist State depending on the most individualistic country in the world to set it going has envoked a good deal of sardonic comment from our slight non-Soclialist majority. But I do not see any chance of this country's declining the Marshall aid, should Congress extend it, although that is a happening one could not but view with a certain sense of satisfaction.

It would certainly help us to make up our minds if we knew precisely where we stood economically. Unfortunately, the authorities differ. Government economists claim an over-all increase in production of 25% since 1939. Opposition economists counter with equally convincing figures to prove the opposite. We are so bedevilled with statistics, expositions and explanations and graphs, that we simply do not know where we really are. One week the miners show a spurt, then they fall back again. One day we are shown that national ownership is extravagant and unproductive, the next that it is doing a bit better and has not yet had a chance to settle down.

• • •

The opposition will make a big issue on the losses shown by British Overseas Aircraft when the House meets. It will also point out that this nationalization octopus, with the power of direction attached, is a real threat to that economic liberty of man, which the Socialists have made such a boast of securing. It is true that none of the fearsome powers accorded — without any marked enthusiasm — to the Government by its supporters in the House, have been used yet. But of course they might be, though, given the British character, I am not sure that they easily could be.

• • •

Doctors to Vote On State Medicine

More resistance has come from the British Medical Association to the proposed state medical service, and, a delegate conference of doctors having flatly declared it unpractical, there is to be a ballot of all members as to whether the doctors intend to work this scheme or not, and, if not, what action should be taken.

It was in the medical profession that the State Octopus found its first obstacle. People remember how the nurses at a Council Hospital in North London were given notice to join an approved union or be sacked and how they compelled a withdrawal of the notice by threatening to walk out in a body, unionists and nonunionists alike.

• • •

Socialism is meeting another difficulty. There are now so many rules and orders (it takes four government departments, I find, to import one parrot) that magistrates are either declining to convict offenders, or else are inflicting derisory penalties. It is a maxim of English law that ignorance of the law is no plea, but ignorance of the law is inevitable when you have 23,000 statutory regulations.

Jokes about bureaucrats have become so common that people apologize for telling them. But this example quoted in the Spectator does seem worth passing on. A motorist asked for 380 gallons a month for his business. He received coupons for 420. Being conscientious, he wrote to point out that they had given him 40 too many. His letter crossed another from the Regional Petroleum Board, again enclosing coupons for 420 gallons. Puzzled and baffled, he awaited the answer to his first letter. In due course it came. The Board apologized for the mistake in his case and enclosed, hoping this would be satisfactory, petrol coupons to the value of 420 gallons.

• • •

In this irritating and exacting world, even the BBC is sometimes caught off its guard. I had just been making jam out of some quinces that I picked at the corner of the lane. I switched on the radio, and heard somebody, expounding on the virtues of the quince, remark what a shame it was that this fruit would not grow in England. Clearly we are all getting mental.

• • •

And with another potato cut in prospect, to offset the pleasurable anticipation of 1,200 new and wider London buses to cut the waiting passenger queues (I dread to think of the consequent congestion in our already overcrowded streets) we look round feverishly for distraction. It is sad that the two gayest London theatre draws, "Oklahoma" and "Annie, Get Your Gun," both come from the United States. How the light musical stage misses our native composers and Vienna!

ONTARIO HOLIDAY *Scrapbook*

WINTER sports are wonderful in Ontario! There's miles and miles of trails for cross-country skiing in most areas — countless places for skating—crisp, snow-blanketed country roads for sleighing. Bethany — Caledon — Huntsville—Midland—Owen Sound —Summit — take your pick, they're all wonderful! Whether it's skiing, skating or sleighing that spells Winter sports for you, you'll find snowlands aplenty close to home. For complete information regarding Ontario Winter resorts, write to Ontario Holiday, Room 1004, Victory Bldg., Toronto.

LET'S MAKE THEM WANT TO COME BACK

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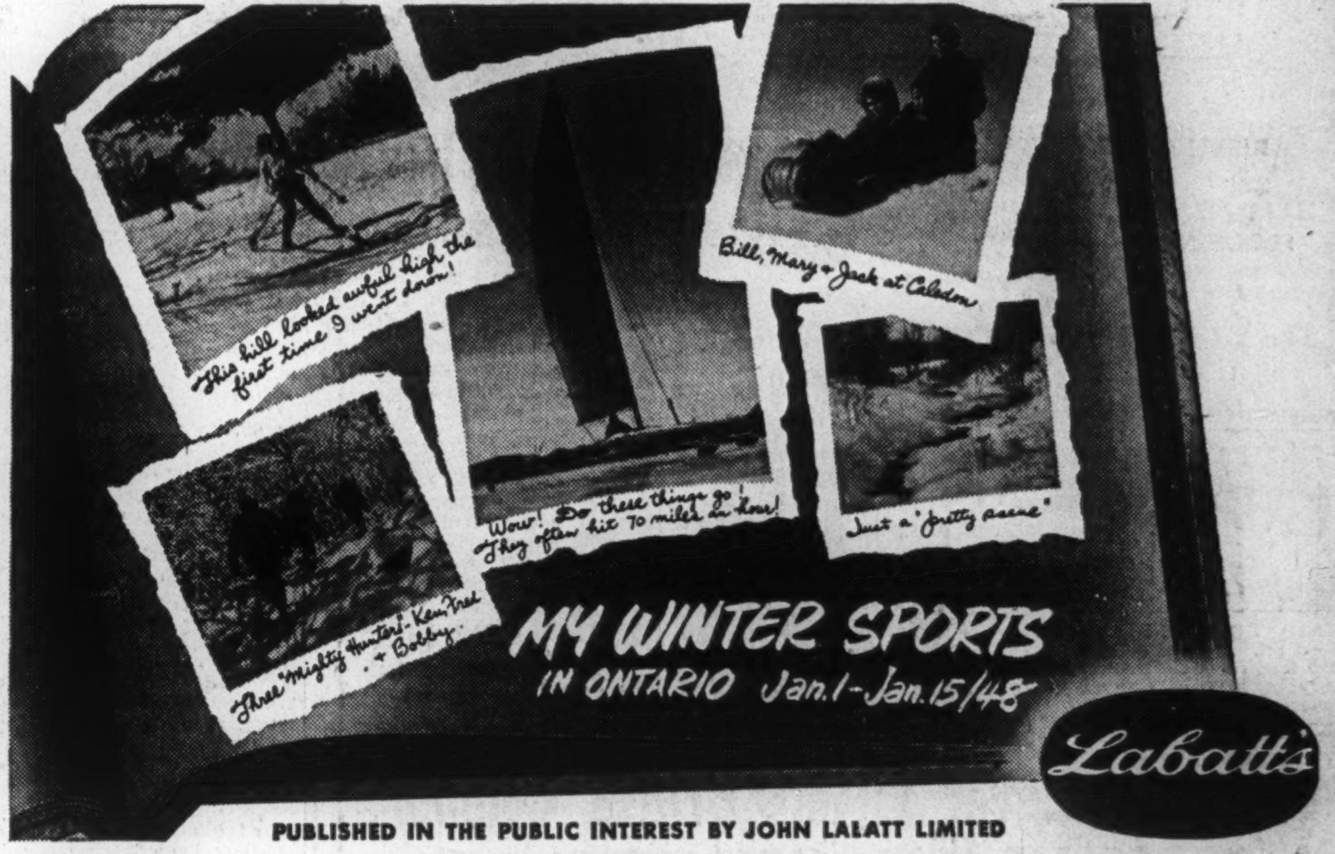

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What Helps Make Better Boss?

Here's the Answer Given Retail Federation

How to be a better boss?

That's the question Dr. Eaton Read, wartime administrator of inventory control regulations with the U. S. War Production Board, Washington, put before the Canadian Retail Federation convention in Toronto recently.

Here, in a digest of his speech, are some of the answers.

By DR. EATON READ

A firm's employees, from the executives down to the rank-and-file workers are the greatest resources of the business. How can you make the most of the human resources of your business—for your sake and for theirs? By being a better boss.

You may think of yourself as an owner, a manager or an executive, but your people think of you as "The Boss."

Do you really want to be a better boss? Many bosses belong to the old take-it-or-leave-it school. Their motto is "What's he kickin' about. I pay him every week, don't I?" Fortunately, that school is losing most of its customers.

You are all familiar with the self-analysis check lists that are so popular today. I think that that approach can be useful to us right now if you will answer the questions honestly and objectively. Your answers don't have to be "Yes" or "No". You may record "Sometimes", or "Usually" or "Occasionally" to a number of them. Here they are:

1. Do I give praise where it is due, promptly, willingly and publicly?
2. Do I reprimand in private, saving the other fellow's face?
3. Do I minimize minor mistakes instead of magnifying them?
4. Do I take my share of the blame for a blunder—or more than my share, since I am the boss and can afford to do so?
4. Do I shun favoritism and treat all of my people equally?
6. Do I refrain from taking my own troubles out on my staff?
7. Do I hold my temper and get the facts before I act?
8. Do I make clear to each of my people the **what** and the **why** of his job?
9. Do I take my people into my confidence and plan **with** them, not **for** them.
10. Do I really encourage suggestions by my attitude and appreciation?
11. Do I depend upon enthusiasm and goodwill rather than upon fear and authority?
12. Do my people like and respect me, not just fear and tolerate me because I am the boss?
13. Am I the kind of boss that I would like to have?

How did you come out? Somewhere between the 13 "Yes's" of a paragon and a complete self-deceiver, and the 13 "No's" of a truthful Simon Legree? I imagine that all of us who are truthful with ourselves qualified all of the answers, and perhaps we award the title of Better Boss to those who can truthfully give the answer "Most of the time."

Human beings like to be treated with the same courtesy, tact, fairness and understanding with which **you** like to be treated.

Praise costs little, but it can produce big dividends. Indiscriminate praise dilutes itself. Look out for actions and attitudes that deserve praise and then pin on the verbal roses. But remember to do it before they wilt, with graciousness and where they will show—in other words, in front of the person's colleagues.

The Better Boss doen't carry his axe around with him; he keeps it in the closet of his office, to be used behind closed doors.

Some bosses (not the better kind) are balloon-blowers. They puff a minor mistake into something out of all proportion to its original size. Personal relations will be improved if you remember to let the punishment fit the crime. Don't take a magnifying glass to examine minor errors. Better Bosses use a sort of mental minifying glass on the little problems.

Some bosses fight with their wives at breakfast and with their people at the store for the rest of the day. They'd be ahead if they'd step in at the club on the way to the store and spend 15 minutes with the punching bag. Then the punishment they hand out wouldn't affect their personal relations—or the profits.

If you are indefinite in describing their work, your people are likely to be indifferent in the execution of it.

Sometimes it is not wise to consult with your people in matters of policy, such as promotions, but the thing to watch for is not to set up an iron curtain between them and yourself. Show me the boss who is continually telling his people such-and-such are matters of policy and cannot be discussed with them, and I'll show you one who is not sure of himself or of his position in the scheme of things. Dictators plan their people; democratic governments plan with them.

If you are generous with the roses of praise, if you keep the axe of reprimand in your private closet, if you minify minor mistakes, if you avoid favoritism, if you keep your own troubles to yourself, if you get the facts before you make personal-relations decisions, if you explain the job to your people and plan with them wherever possible and if you honestly encourage suggestions, you will be making the most of the human resources of your business through better personal relations.

You will be the kind of boss that you would like to have.

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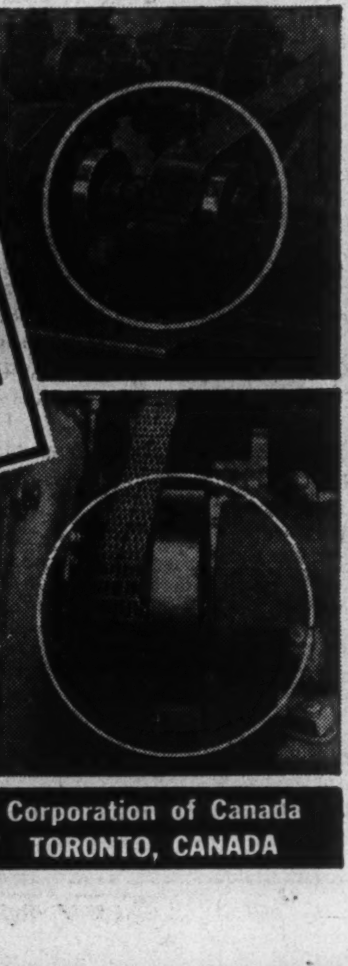

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